Capital Improvements Advisory Committee
Minutes for the Meeting on
March 17, 2022
1:30 p.m.
Utilities Center
Board Room 225

Committee Members Present:
Jason Lorenz, Chairman
Mark O'Neill, Committee Member
Don Curnutt, Committee Member
Steve Newby, Committee Member

Committee Members Absent
Adam Roberts, Committee Member

City Staff Present:
Denise Alejandre, Administrative Assistant
Robert Cabello, Deputy City Attorney
Melanie Castañeda, Office Assistant Senior
Carl Clark, Deputy Director Environment/Technical Support
Sonya Delgado, Parks and Recreation Director
Delilah Leyva, Office Assistant Senior
Catherine Mathews, Landscape Architect
Jose Provencio, Deputy Director Business Services
Christine Rivera, City Clerk
Jacqueline Rubalcava, Sr. Accountant Finance
Alma Ruiz, Senior Officer Manager
Jason Smith, Fire Department

Others:
Becky Baum, RC Creations, LLC
Cassie McClure, Public Outreach Consultant

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

1. Conflict of Interest:
Chair Lorenz: Item number one is the Conflict of Interest. Does any member of the committee or any member of the City staff have any known conflict of interest with any item on today's Agenda? I hear none. That is great.

There were none.

2. Acceptance of the Agenda:
Chair Lorenz: Next is the Acceptance of the Agenda. Can I hear a motion?

Curnutt: I so move.
O'Neill: Second.

Chair Lorenz: Thank you. All in favor.
The Agenda was Accepted Unanimously 4-0.

3. Acceptance of the Minutes:

A. Regular Meeting on February 17, 2022.

Chair Lorenz: Now Acceptance of the Minutes.

O'Neill: I have a couple amendments to the minutes.

Chair Lorenz: Please.

O'Neill: I try not to do the little grammatical ones, but some of them could change the meaning of the sentence, so I want to clarify. On page 11, down towards the last paragraph, line 5, I said "we did a PowerPoint of my presentation. You know, I made the presentation as Chairman "not" to Chairman." It should be "as Chairman." Then if you go down three more lines where it says "information." "We do a PowerPoint because sometimes they do," it should be "do not read it," "Do not read it." That is why we do the PowerPoint. And then on page 13, wrong page. Just a grammatical thing so. Page 22 towards the bottom, where I was speaking, O'Neill, and on that top line it says, "thank you. My last question, and it is entirely unrelated" instead of "related." It should be "unrelated." That is all.

Chair Lorenz: Thank you sir. Any other amendments? I would like a Motion to Approve the Minutes as Amended.

Newby: So made.

Curnutt: I second.

Chair Lorenz: Mr. Curnutt. All in favor?

The Minutes were Approved Unanimously 4-0.

4. New Business:

Chair Lorenz: On to finalizing the Annual Report. I did see some e-mails back and forth to clarify some things on the biography section mostly. I think the meat and potatoes of the report remain unchanged. The Annual Report, multi-annual report, is here in our packet. We have all read it and had the opportunity. I would like to hear a motion to approve it as written.

O'Neill: I did propose to add something ...

Chair Lorenz: Actions later.

O'Neill: No, no, I know. I just did propose something that I want to do that I think Alma [Ruiz] put in the report. I just wanted to add that line at the end if the committee would so like to but trying to see what it is now. Here. Did you put it on this?
Ruiz: Yes.

O'Neill: Okay. On the last page, page four of the report, before their signature lines. I wanted to add something, so we get some direction for the future regarding this report. When you do it next year, Chairman for this year.

Chair Lorenz: Is that a Motion?

Ruiz: Alma Ruiz. Point of order though. Let us get a point of order. We should not discuss this until at the time of the Agenda Item.

Chair Lorenz: Is it not?

O'Neill: I thought that we are at that?

Ruiz: No. Are we? Where are we?

O'Neill: We are at that. It is, we are at CIAC members review, discuss, and finalize the report. We do not take Action on it till down here.

Ruiz: Yes. Okay.

O'Neill: We do not take Action.

Ruiz: I have a ...

Chair Lorenz: I tried to take Action and you are right, I should not have done that.


O'Neill: We are just in discussion, right.

Ruiz: Discussion. Yes.

O'Neill: We okay.

Ruiz: Yes.

O'Neill: All right. I added that, if you look at page four, I just wanted to maybe get input from the City Manager, Mayor, or Councilors, what they would like in this report in the future. What is missing? What they would like, so we have some direction for next time we do the report. You can see the line, "we welcome input from City manager, Mayor and City Councilors as to what, if any, other type of information would be helpful to include in future annual reports.

Ruiz: Sorry. Give me a second. This is Alma Ruiz, Senior Office Manager, for the record. Let me find, let me check what was posted. It seems like you have a
different agenda than we have. That is why we are all confused. Please, please bear with me for a second.

O'Neill: Okay.

Chair Lorenz: No problem.

O'Neill: I do not know if you got any other input, additions, or anything. That text her and added that. I could not find a quote from Mr. Newby, so he put one in. so that is good. I kind of relied on some of Cassie's articles.

Chair Lorenz: The Agenda that she e-mailed us is different than the Agenda we have on our packet. It is New Businesses in front of Old Business. This one has Old Business in front of New Business.

O'Neill: It should be Old Business first.

Ruiz: Okay, Alma Ruiz, again, Senior Office Manager for the Utilities. It does appear that what is in your hardcopy packet is not the Agenda that we published, so I will hand an Agenda to the Chair, which shows, after the Acceptance of the Minutes we go into New Business and then Old Business, then Action.

Chair Lorenz: That will be fine. Thank you.

A. Utilities Fiscal Year 2021/2022 (FY22) Mid-Year Financial Review Update:

Chair Lorenz: Absolutely. Go for it Mr. Provencio.

Provencio: Okay. Good afternoon, Chairman, Commissioners. Jose Provencio, Deputy Director of Business Services for Utilities. I will brief you on the financials for Water and Wastewater Water Impact Fees. The second quarter summary as presented to you graphically in slides two and three. It presents the revenue activity that mirrors the construction and permits that are filed with Community Development. It pretty much states for itself as to what the level in terms of revenues is generated for both Water and Wastewater. Slide three presents the information for Wastewater.

In regard to the second quarter performance for both, particularly for Water, it is slightly ahead at the same point as it was in FY21. It reflects the strong activity in terms of construction for water by the value presented there on slide four. Even more interesting is the Wastewater activity in the hookups with respect to Development Impact Fees, it is well ahead of the year before. It is still there. It does reflect the ongoing activity in what I call the construction world. The revenues indicate that clearly. In tabular form we have the second quarter for Water and Wastewater Development Impact Fees and a comparison to prior FY21. It still indicates there is strong construction activity and the resulting revenue collected by Utility Impact Fees. I will stand by for any questions you may have.
Chair Lorenz: Any questions from the committee? That was pretty quick.

O'Neill: I was just, I have not looked over all the figures.

Chair Lorenz: It is right here.

O'Neill: Thank you. On that 50/50 allocation. How much more are the residents paying as opposed to what it was before?

Provencio: For the residential it did not ... Chairman, Commissioner O'Neill. For residential it did not change. The ratio really collapsed both the rate base portion and the developer portion.

O'Neill: They went up or down?

Provencio: Well, there has been no changes in the Development Impact Fees. All we did is consolidated the developer and the rate base portion to be paid by the developer now. The customer portion remained unchanged. It is just we no longer track the rate base or is any rate base allocated to existing customers for Development Impact fee charges.

O'Neill: So the 50/50% that got approved did not affect the customers as far as how much they pay?

Provencio: Not the individual customer. It did roll in the rate-based portion into the developer category, or developer portion of the Development Impact Fee.

O'Neill: Okay, so it was separate.

Provencio: Yes.

O'Neill: Okay. Thank you.

Newby: Mr. Provencio. Go back to slide six.

Provencio: Okay.

Newby: Where you show the goal or the target of 50/50 for Water, and then you have the $19,175.00 is rates. Since you folded in the rates with the builder, you add the $51,832.00 to the $19,175.00.

Provencio: Can you repeat your question? I am trying to ...

Newby: Where you show a 50/50 ...

Provencio: Yes.

Newby: For the ...
Provencio: Right here, right.

Newby: Rates is kind of hanging out there with any indication of target. You said the rates had been ... sorry, just throw something at me. You said the rates have been folded in with the builder, but we are still showing $19,000.00 for rates.

Provencio: Right. That is correct.

Newby: Could you explain that a little bit better?

Provencio: The reason we still do that is until the prior, we want to keep the tracking and the accounting similar to what has been done in the past Commissioner. You have a four-year view, our timeframe before the platted property and the applicable development charges default to whatever is the current. In terms of just keeping the accounting and the tracking of that, we show the rate portion. What is ultimately booked is a combination of both the builder and the rates. We can certainly roll that in, in future presentations. It is just a carryover of us carrying the accounting over from the previous process.

Chair Lorenz: Do you mind sir if I answer that in a different way?

Provencio: Certainly.

Chair Lorenz: Correct me if I am wrong. The Impact Fee is set at the time of the recording of the plat.

Provencio: Right. Exactly.

Chair Lorenz: If that plat or if a lot initiates utilities during that four-year timeframe from when they recorded the plat, those fees are set at whatever they were at the time the plat was recorded. Beyond those four years, it defaults back to whatever the current charge is.

Provencio: That is correct.

Chair Lorenz: For all those subdivisions that are less than four years old but were recorded before the rate change, they are sort of grandfathered in for four years. Does that make sense? They are still seeing some come from rates and the ratio between builder and customer is different for those in that little window.

Newby: Thank you. Second question. Where you are showing the 50/50 target for both Water and Wastewater, Wastewater it is about 75/25. Is there a reason that target is so far off?

Provencio: In terms of dollar value?

Newby: Yes sir.
Provecio: Yes.

Newby: If you just look at Wastewater ...

Provecio: It is reflective of the activity as to how much is the number of connections that are coming in. The stronger or more robust growth in terms of hookups is occurring on the Wastewater side.

Newby: Thank you.

Provecio: Certainly.

Chair Lorenz: Your answer sort of lead into my question. Back on pages four and five we see a small increase, not too small, but not a huge increase in Water Development Fees over what we did last year.

Provecio: Yes.

Chair Lorenz: On Wastewater it is significant. That inspires me to think that we are supplying sewer a lot more than we are supplying water to some of this new development. Would that be the case, that we have got customers - maybe it is because of Moongate Water up in Metro Verde area?

Provecio: Chairman, Commissioners. Part of that driver is the growth itself where you know at least in the established developments it is a one to one, water and wastewater. We also have activity ongoing with the special districts or special areas where we got grant money from the state to install sewer in already developed areas. That is contributing to what you see here.

Chair Lorenz: Say Butterfield or something like that.

Provecio: Exactly. Some of these developed areas that are moving off septic and connecting to the sewer system reflects that activity. I mean we want to get it moving faster, but whatever is out there, there is still that kind of connection as those homeowners either run into the situation where their sewer has to be recertified or they have to pull another permit for rebuilding, and the state is not approving those permits because if there is sewer available in you know in the normal area, they have to hook up.

Chair Lorenz: Got you. Thank you, sir. That is a factor I did not consider. Mr. Curnutt, any questions? Thank you, Mr. Provecio.

Provecio: Welcome sirs.

B. Parks and Recreation FY22 Mid-Year Financial Review

Chair Lorenz: Next is Parks and Recreation FY '22 Midterm Financial by Jacqueline - wow, tell me so I do not mess it up.
Rubalcava: Jacqueline Rubalcava.

Chair Lorenz: Rubalcava. Rubalcava. I will practice that.

Rubalcava: Thank you. All right. Okay. Hi. My name is Jacqueline Rubalcava. I am a Senior Accountant with the City of Las Cruces Finance Department. For the Park Development Impact Fees, and this is as of the end of the second quarter, which is December 31, 2021. In green we will see the revenues. For September, I am sorry, give me a second. I am sorry for October it was $159,900.00 approximately, November $106,600.00, and December $109,400.00. There were no expenditures this quarter.

Okay, so this just shows a cumulative for FY22. As of December 31st, they were $800,400.00 in revenue, and $305,000.00 in expenditures. Here is a six-year comparison, so from FY22 compared to FY21 revenues are up 14%, expenditures are down 17%. The ending fund balance you will see at $6,667,799.00, that is an 8% increase from June 30th. Here is a six-year comparison for revenues and expenditures. The revenues are pretty consistent for future years, it is in yellow the FY22. Then you will see on the right side the expenditures. The expenditures for FY22, the $325,000.00 have been for the Red Hawk Villas Park. Here is the data breakdown for FY22, you will see on the totals at the bottom there is the $800,400.00 that we were mentioning, and the expenditures $324,877.91.

Here is the breakdown for revenue for the six-year history. At the bottom you will see the 14% for FY22, and that is for quarter one and two in comparison to FY21 quarters one and two. Here are the expenditures down 17%. Again, it is just for quarter one and two in comparison from FY21. The fund balance is up 8% in comparison to FY21 at the $6,667,799.00.

Here are Impact Fee Requirements taken from Las Cruces Development Code Section 33. The complete construction or secure obligation to construct no later than seven years after the impact fees have been collected. The interest earned must also be spent in those seven-year restriction.

Here are the outstanding Impact Fees to spend. Currently the year being spent are from FY2018. There is $825,649.00 remaining, and there are three to four years left to spend on that. Towards the bottom you will see in 2022 the current amount that we have at $800,446.00 and there is seven years left. Are there any questions on the Park Impact Fees?

Chair Lorenz: Mr. Curnutt.

Curnutt: Yes, I have one if you will bear with me. Looking at your page number 11, which you have up here, you have for example in 2018 you have got $825,000.00 balance remaining to drawdown, is that correct?

Rubalcava: That is correct.
Curnutt: Okay. Do you have projections for each one of these years showing? Do you all monitor that and project that you will have it spent down in those, in the next three years or do you just kind of play it by ear year to year and hope you come out flush?

Rubalcava: I do not believe there actually any, but Catherine Matthews is here from Parks and Recreation (Parks & Rec). I just look at the numbers. She will actually have a breakdown on what they plan to spend and how they will be spending that.

O'Neill: My question too. A lot of history but no projection.

Mathews: Thanks Jacqueline. Cathy Mathews, Landscape Architect with the Parks and Recreation. We do not have a month-by-month projection, but each year we have, our CIP (Capital Improvements Plan) includes what projects are going to be accomplished that year, and where that funding is going to come from, and that includes Park Impact Fees. Every month we get a report from Jacqueline and from the accounting about what the revenues are coming in, just like your report here, we get the same one. We monitor that way to make sure that we are on track for expending and that we are certainly not exceeding, but we are expending per the timeframe that we are allowed. It is not a month-by-month kind of tracking in that sense, except the reports we get from accounting.

Curnutt: Okay.

Mathews: Right now, we have approximately $570,000.00 that is about to go out for a payment on Metro Verde Park. That is in the works right now. We have, the agreement is being signed and the request for check is in process right now. Next month you will see a totally different accounting of the expenditures. That one is going to be a big one that is coming out. We have the Pueblos at Alameda will have an expenditure as well on that one. Those are the big ones.

I have to say one factor that is playing into the sort of seeming lack of expenditure is our Apodaca Park Multiuse Trail and Aquatic Playground Project. We really had anticipated being smack dab in the middle of that project at this point in time, that $750,000.00 committed from the Park Impact Fees for that particular project. Since we have not actually received the grant agreement for that project, we have not been able to start it. That is one factor that is kind of holding us back from you know demonstrating that we are actually expending these funds in the way we anticipated that they would be. Does that make sense?

Curnutt: Yes. I hear what you are saying. Thank you.

Mathews: Thank you.

Chair Lorenz: Any other questions from the committee?
O’Neill: Is it possible that in our report we get those projections that maybe every six months?

Chair Lorenz: Nothing. Go ahead please.

O’Neill: Every six months or annually that we get those projections and look at them comparatively, even if it is a project that has not started yet? Thank you.

Rubalcava: Adding on top of what Cathy [Mathews] said, in January there were expenditures of $587,320.00, it just will not have been in this period, so I did not report that.

O’Neill: Thank you.

Chair Lorenz: Mr. Newby.

Newby: Yes, Cathy [Mathews]. I am sorry, sat down. Could you go back to slide five. If I am reading this correct the yellow line over on the right-hand side under expenditures looks like essentially nothing was spent from August of last year to June of this year.

Rubalcava: There were there were expenditures in September. There were none in October, November, and December.

Newby: Okay. There is nothing showing up in September. Are you talking about September of '21?

Rubalcava: Are you referring to the expenditures?

Newby: Yes.

Rubalcava: It is the yellow line, so it increased July/August. There were none went up in September, and then it stayed the same in October, November, December.

Newby: How many projects Cathy [Mathews] do you currently have in the loop?

Mathews: Designated for Park Impact Fees, I have nine projects currently.

Newby: Well the fund balance is getting awfully high again at $6.6 million. There was just nothing ready to go into construction?

Mathews: Mr. Chair, Mr. Newby. That is correct. We have got nothing under construction right now that is with designated Park Impact Fees with the exception of Calle Abuelo, the Pueblos at Alameda. There is some small expenditures coming out of that. As I mentioned that we have a park under the Metro Verde Neighborhood Parks, we have what we call it the Ninja Park. That is the big expenditure Jackie [Rubalcava] spoke about that is happening this quarter.
Newby: Out of those nine projects what is the oldest project?

Mathews: The oldest project is Highland Park, that is a 10-acre park that is just on property just north of Highland Elementary School. We have design for an open space, multisport fields with multiuse trails as well. That one, we are in the process of updating our design so we meet current codes, and then we will go into construction we anticipate the first quarter of Fiscal Year 2023.

Newby: Being the oldest, how old is that?

Mathews: It is approximately three years old.

Newby: With the adjustments we have had of getting an update on the projects it would be great to find out what the starting date was so we can see which ones are lacking.

Mathews: Very good.

Newby: Mr. Chairman. That is all.

Chair Lorenz: Thank you. I have no questions for you. Thank you very much.

Rubalcava: Thank you.

Chair Lorenz: It is interesting to look at these revenues and expenditures over the years as the revenues continue to climb from $1.2 up, and you see the expenditures. I mean it 'is not going to hit us in the next three or four years, but unless that changes significantly, we are going to catch up to that seven-year sunset.

O'Neill: That is what I figure.

Delgado: Mr. Chair. Sonya Delgado, Director of Parks and Recreation. Before you move forward, I wanted to add one piece to that. The projects that are in PIF (Park Impact Fees) are not the only projects that we do. There may be nine right now with PIF. PIF, as you know can only be used for new levels of service. We have a lot of projects that are in the queue right now that are, you have state legislative funding, which have a shorter time limit; grants, sometimes those are even shorter. We have probably about 30 projects right now in the queue that we are actively working. Those were just the PIF right now. Sometimes the PIF just gets pushed back just a little bit because of the timeframe, but we do make sure that we stay on track with all our spending. As you will note, the next time you get a report, you are going to have two big ones that have hit it, two parks, we have got two other parks that are in the hopper with another developer. Those will be coming around the bend as well.

Chair Lorenz: GO Bond Funding, too, right.
Delgado: Just as an FYI. Then we have the GO Bond that we have to work very, very closely with Public Works. We have a lot going on right now. I just wanted to make sure that I mentioned that because you are not thinking we are working on nine projects and that is it. That is not what is happening. We can certainly add that so that you can see how many projects are coming through. Sometimes we use PIF for some items. We are going to be giving some PIF money to one of our other projects that is currently in the works and being negotiated to help that process and help give it a larger footprint. That will be expended this calendar year, so in FY23. There is a lot of things that are starting to come around the bend. Some of them are small. We do have some larger ones, but you will start seeing that change.

Chair Lorenz: Thank you Sonya. I think Mark has got a question for you.

O’Neill: Are there, as far as the projects go, is there any delay because of shortage of staff? Has that become an issue where it is delayed some of the projects or not?

Delgado: Mr. Chair, Members of the Board. Yes, that does happen. Not necessarily on our end. What our team does our special projects team within Parks and Rec, we vet the project, we take it through design, once it gets to construction, we either need to hand it off to Public Works, so we get in line with their projects. Or if it is a small enough project, we either can get a consultant on if we have additional funds somewhere that we can put towards a project. Or number three, if it is something a couple of our members can handle on our team, then they will take it on. It just really depends on the size of the project. Usually we have to hand them off to Public Works. That means we get in line with all the other projects that they have.

O’Neill: Yes, that is a question for Public Works then. Thank you.

Chair Lorenz: Thank you Sonya. We have not had a report from you in a while, so it is good to see.

Delgado: Good to see you.

Chair Lorenz: Now, maybe Alma [Ruiz] will let us talk about the Annual Report.

Newby: I do not know. You better as her.

Ruiz: No.

Chair Lorenz: No.

O’Neill: Public Safety.

Chair Lorenz: Public Safety. I just saw Jacqueline’s [Rubalcava] name again and I thought. Thank you, Jacqueline, [Rubalcava].
C. Public Safety FY22 Mid-Year Financial Review

Chair Lorenz: Public Safety Fiscal Year 2022 Mid-Year Financial Review.

Rubalcava: Yes, thank you. Now we will move on to Public Safety. Again, this is also as of December 31, 2021. I do want to note that on this draft, I sent the wrong version and so there are three typos on slide four, six, and 10. I will point those out when we get there.

Okay, so for FY22, we have the Public Safety Impact Fees. The revenues are $55,200.00 for October, approximately $43,700.00 in November, and $69,500.00 on December. Expenditures are $59,000.00 each of those three months. Here is a cumulative FY22 Public Safety Impact Fees. As of December 31st, there were $324,400.00 in revenue and $347,300.00 in expenditures. We will see that again here. Here at the top of the slide is where there is a typo, it should say FY22, so it should be FY17 to FY22.

Here are six-year comparisons, on the left you will see the revenues and on the right, you will see the expenditures. FY22 is that coral/orange color. It is pretty consistent to FY21 and in previous years. The expenditures for FY22 on Public Safety have been the debt service for the East Mesa Public Safety Complex. Here is the other typo, it should be as of December 31, 2021, not September. The principal remaining is $4,145,000.00. The interest remaining is $287,325.00. These bonds go through June 2026. Funds other than the Impact Fees help pay this debt.

Here is a breakdown of the data for FY22. We will see at the bottom the $324,416.00 in revenue and the expenditures at $347,303.00. The six-year data, revenue is up 14% from FY21 at the end of December as well. Expenditures are down 1% in comparison to FY21. The fund balance is down 4%, you will see that at the bottom. The current fund balances at $540,057.00.

The Impact Fee requirements also taken from the Las Cruces Development Code Section 33 are also the same, that they must be completed no later than seven years after the Impact Fees are collected. Interest earned on Impact Fees are subject to the same seven-year restriction. Here is the last typo, it should also be December 31, 2021. The current Impact Fees balance is $215,640.00 from FY21 that's currently being used, and $325,376.00 from FY22. Are there any questions for Public Safety?

Chair Lorenz: Anything from the committee? I have one for you.

O'Neill: I do too when you are done.

Chair Lorenz: I'm sorry. Go ahead, Mark.
O'Neill: I was just going to ask is this new program that they have launched, the Crisis Intervention Unit, part of this Public Safety and part of these funds going towards that? Anyone answer that?

Rubalcava: I do not have specific.

O'Neill: Separate.

Rubalcava: He will come and talk to you about that.

Smith: Good afternoon, Committee. Fire Chief Jason Smith. Funding for the crisis intervention team is not part of Impact Fees. None of it is being funded from that funding.

O'Neill: None is funded from the Impact Fees.

Smith: That is correct.

O'Neill: Okay. Thank you.

Chair Lorenz: Any other questions from the committee? Mine, Jacqueline is the Impact Fee funds are lately used solely for debt service, but we are seeing a change in July every year. Is that being re-amortized or is our interest rate maybe adjusting? Or why is that payment changing?

Rubalcava: I am sorry. I just took it over after the beginning of the year, so I do not have data on July, but I can get those answers to you. At the next meeting I can answer that for you.

Chair Lorenz: Great. Yes, if you look at the payments made from September through June in FY19 and then in FY20 from November through June, and then all year in 2021 and all year and 2018, you see this stability of payments, but it just changes every July. It just seems to me that it must be one of those two to explain it. I would appreciate that answer next time to give us a report. It is not urgent.

Rubalcava: Sure. I will do that.

Chair Lorenz: The steady even debt service payments sure make it easy to project. I appreciate that.

Rubalcava: Sure.

Chair Lorenz: Thank you.

Rubalcava: Thank you.
5. **Old Business:**
   
   **A. CIAC Members Review, Discuss, and Finalize the Annual Reports to City Manager:**

   Chair Lorenz: What do you think Alma [Ruiz]? All right, now we can talk about the Annual Report. Mark where your questions answered?

   O’Neill: I did not really have a question; I was just letting you know that that was added to the report. I just wanted to let you know before we approve it. Then I do not know if there were some other things that were added as well. I know Mr. Newby's quote was added, and maybe you can help us out with that Alma [Ruiz].

   Ruiz: Alma Ruiz, Senior Office Manager. First of all thank you all for your contributions to the annual report. As Vice-Chair O’Neill mentioned, we did add the quote that Mr. Newby provided to us. I also, just for clarification, spelt out some acronyms that were referenced and some word that were abbreviated. For the most part, everything that was discussed at last month’s meeting, and then input from Mr. Newby and Mr. O’Neill were incorporated, which were his quote, and the last statement above the signature, the second paragraph on page four. We welcome the input from the City Manager, Mayor, and City Council as to what, if any, other type of information would be helpful to include in future Annual Reports.

   Chair Lorenz: Thank you Alma [Ruiz]. Any further discussion from the committee?

   O’Neill: Question Alma [Ruiz]. Did you also put in about the...

   Ruiz: The public input.

   O’Neill: Yes.

   Ruiz: Yes, that would be on page one in the Overview Section, and that is right, almost towards the end.

   O’Neill: Okay.

   Ruiz: It says we are governed by state code to use Robert's Rules of Order, follow the Open Meetings Act guidelines, and include Public Participation.

   O’Neill: Thank you. I do not know if there is anything else the committee wants to add or subtract.

   Chair Lorenz: Well if there is no further discussion, we will move on to, thank you Alma [Ruiz], very much.

   **B. CIAC Members Discuss Possible Future Work Session and/or Training Session Topics and Identify Date(s)**
Chair Lorenz: We will move on to the next Agenda item, which is to Discuss the Future Work Sessions or Training Topics. Just a little thought about this. It is partially the responsibility of the Chair of this committee to contribute any Agenda items. Although the agenda is generally driven by Alma [Ruiz] and her staff, and the reports that we so commonly hear. She is, and I am, very open to your requests for any item that you feel needs to be addressed by the Agenda.

I am excited for, I guess, Steve were you, you were here right at the end of the last Impact Fee decision, were you not? You got to just not really see the whole sausage making but showed up for the end and I am excited for Mr. Curnutt to get to see the process we have just begun. On our Action item number 6.B., it is our first opportunity to really see that. I am looking forward to that Discussion. Although it is not under discussion it is on under Action Items. Because we got an a very abbreviated version of the of the Land Use Assumptions this time. I am not sure I can accept those the way they are. Going through those Land Use Assumptions is a great benefit to our understanding of what this committee does.

Last time, we spoke of possible work session to discuss some items outside what we normally do, and maybe see some training. Was there something you would like to see there, Mr. Curnutt?

Curnutt: In the Work Sessions.

Chair Lorenz: In a Work Session or anything else?

Curnutt: Well I, yes, again I would like to be able to see the whole process lined out and the checkpoints defined, and then what actions required by the board at each step of the process. Because you know at this point what I have is, I just see things at a very narrow point in time and I never see the big picture. Without seeing the big picture, I do not understand how the piece we may be approving now affects the end results. Without understanding that, then I do not know how to critique or add value to the stage we are in right now. To me I need to understand the whole process to understand what happens at each level, understand the data that we need to review and understand at each level of the process so that, again I understand where we are going and whether I can add value or not to the to the process.

Chair Lorenz: Mark.

O'Neil: I was just going to ask Alma [Ruiz], is there someone on staff that has that knowledge that can lay that out for us if we did have a Work Session or it was part of our meeting like we discussed before? Is there someone that can do that? It is kind of difficult I know but.

Ruiz: Alma Ruiz, Senior Office Manager for the Utilities. We had a great resource prior to her retirement, Marcy Driggers, who was extremely knowledgeable
about the process. I can ask each department that presents before you to maybe get together as a whole...

Chair Lorenz: Can I make a suggestion?

Ruiz: Yes.

Chair Lorenz: Typically in big projects like an Impact Fee Review, or like they are currently undergoing in Community Development right now for the Realize Las Cruces project. There is sort of a timeline and schedule that either the consultant or City staff creates that sort of lays out, even in maybe a Gantt Chart type view to be able to see that process. I think it would help me wrap my head around it, as well as Mr. Curnutt if we could see something like that for this project. I do not know if you have got that. But if not, I could bring one from another Impact Fee process that we have gone through to sort of lay out the steps that are happening.

I think a Work Session would be helpful, maybe next time we meet we skip the regular meeting, because there is not a whole lot to it other than maybe a progress report on Impact Fees. The next time we get together we make it more of a Work Session, and we talk about how that process went for the last couple.

One thing that is a little different is every time we switch to a different consultant, they kind of have their own way of doing it. We have no say, in which consultant is used. They are hired, I do not really know their procurement process, but they are hired by City staff at some point. We have seen in my limited tenure, a different consultant for every single Impact Fee Review we have done, and they have all had a different approach. I would be happy to bring in what we did on the last couple and talk about what that timeline looked like.

In this process, this last meeting last month, we got a very short, like three-page abbreviated version of the Land Use Assumptions. I am used to something much more in depth, something with a lot more information that talks about where their numbers come from instead of just here is a graph and here is my source and that is it. I think I would like to suggest that we do that next meeting.

Curnutt: Okay. You know and just to follow up on your comment about, we are subject to the consultants and the way they do it. That is not correct. I mean if we let them that is true, but each department when they issue a contract to these consultants, you can put within the scope the format and the specifics you want and how do they approach it. You can end up with the same, similar data provided, I mean it is unique to each project, but it can still be formatted so that it follows the same system that we articulate. We have some flexibility in defining that if we so desire to do that.
That is what I am saying is we need to understand what our parts are. Then once we understand that, then we can set standards we need to see followed, or else we decide we do not need to wait, I mean have those standards. If we do not, then it just seems to drift wherever the wind blows.

Chair Lorenz: For sure.

O'Neill: I think what he wants to know is what we are going to do with it once we get all that. What do we do with it now? How do we break it down? What is the next step? What's our role in that?

Chair Lorenz: The absorption and understanding of the information as it comes in and having some system of standards so that that information comes in the same way, and it is more easily digestible.

Ruiz: Alma Ruiz, Senior Office Manager for the record. In past Impact Fee Reviews, we did, or the presenting department did provide a timeline of actions or tasks that we were going to be done, public meeting be held, how many public meetings then bring it back, you know the results to the board. Then the Impact Fee report by the consultant, and so forth. In the past there have been those type of reviews as each department starts their Impact Fees. I think we have sort of just gotten away just because a lot of City you know turnover, attrition, retirements. and so forth. That is up to the departments. What I was going to suggest is maybe have all three departments that present to you get together and within their meeting pan out a timeline for each Impact Fee process, so that it does stay standardized, and you are receiving the same information, whether it is Utilities, Parks & Rec, Public Safety, at least the bulk of the data, right.

Chair Lorenz: Certainly Land Use Assumptions.

Ruiz: Correct.

Chair Lorenz: Because that is, the Land Use Assumptions really need to be consistent.

Ruiz: Correct.

Chair Lorenz: We should see the same set of Land Use Assumptions with subtle adjustments over time as our population changes regardless of the impact fee. Now, the data that comes and how we are going to calculate what that Impact fee is varies drastically from Utilities to Parks to Public Safety because their use of those funds are so different. The Land Use Assumptions should be consistent.

Ruiz: Alma Ruiz, Senior Office Manager for the record. It should be.

Chair Lorenz: We have got some records going back quite some time.
Ruiz: Correct. Yes. Also, we could ask each department at the beginning of their process to outline a skeleton timeline.

Chair Lorenz: Even if we do not end up following ...

Ruiz: Yes, correct. An idea.

Chair Lorenz: At least we see where we are going.

Ruiz: Okay.

Chair Lorenz: When to turn right. That would be great. I do not know if that can be prepared in time for us to meet next month. Can you get back to us on that?

Ruiz: I will have to check with the directors' schedules and see and/or they may designate someone to put that together and so forth. Hopefully, and then that could be the item of discussion for the Work Session and any other topics that you may, it could be really broad to say you know Impact Fee Process discussion, and within that we can review the timeline, if we have it available, for how it would go forward.

O'Neill: Maybe look at ...

Chair Lorenz: I think that would be great.

O'Neill: May instead of April.

Chair Lorenz: Maybe. I think you know doing it in a Work Session would give us the less formal flexibility to be able to have more of an open discussion and to have either the directors or some staff that have overseen the process of the Impact Fees. You know if Sonya could be here that would be a fantastic benefit for discussion. I think that would be great.

Ruiz: Okay, so schedule a Work Session for April.

O'Neill: Maybe to give you time I was thinking May, but.

Ruiz: Okay.

Chair Lorenz: I guess my question for Chief Smith would be, I guess he has got a consultant scheduled. If there is something substantive to hear from them, I would love to hear from them. If this is just a check in to make sure that we are hearing from you, I would be fine with skipping it.

Smith: Chair Members of the Committee. If I might, I am going to go back a couple months ago when I first presented the update and we laid out bringing on the consultant, the RFP [Request for Proposal] process and our timeline that we are on. The Public Safety Impact Fees were extended out a year ago in June.
They have to be updated by this June. The process that we laid out and that our consultants laid out last month was they were there to present the Land Use Assumptions based off of Elevate Las Cruces. That was the data that they are following for the growth of the City. They did not see anything that was trending elsewhere. I am not going to get into the next Agenda Item too much but lay out the process and the timeline for this conversation.

This meeting keeps us on track for approving those Land Use Assumptions that follow Elevate, that is the City’s been using for many months now, I think almost two years, that we have been using the Elevate Las Cruces Land Use Assumptions. From there, the process, talking about the process for Impact Fees, Land Use Assumptions recommended from here, taken to Council, we come up with capital items for Public Safety. These are all the capital items we need to put in place to maintain our level of service for growth. From there we develop the fees, we take all of that to you for your review, answer any questions, changes, and then present to you something for action. Then we take it to City Council. In between there we take public input, once we kind of get this committee’s go ahead on the Land Use Assumptions, the capital needs, and the fee structure. That is what we have laid out. Our timeline did start at the beginning of the year, we actually went to the RFP process last year in the beginning of Fiscal Year 2022. To keep us on track, it is moving forward on the Land Use Assumptions.

Next month, the plan was to actually come to you for action and update. The action would be on our capital needs to ask you to take action on approving our list of capital needs to maintain our level of service, and then give you a chance to give feedback or input or direction on the fee schedule. That would be in April, and then in May we would come with the final package that had everything for your final recommendation or changes before we go to Council for their action in June. Obviously, I think there is two Work Sessions for City Council in between that timeline to keep them updated to where we are at.

I hope that kind of illustrates the process where we are at. The intent of last month’s meeting was to hear your concerns or get direction on the Land Use Assumptions. It was not a check in, if we fail to make that overly clear that we were looking for direction and feedback, apologize that that was not communicated well.

O’Neill: Question.

Chair Lorenz: Sure. Go ahead.

O’Neill: You use the same format every year, it is built into the system, right? You use that format for the Land Use and the timeline that you just told us about. That is the same kind of process and timeline that you come every year. Like this is going to happen this month, April, probably this will happen in May, probably this will go, you will come to the board for this in June. That is like every year pretty much, is that correct?
Smith: No. No sir. No. Because the Land Use Assumptions or the Impacts Fees only have to be updated every, what is it, four years.

Chair Lorenz: Five.

O'Neill: I see.

Smith: Yes. The fourth year is when we should start laying out the process and doing that timeline so that by the time we get to the end of the fifth year, we have everything ready to go and be put into place. In 2020, obviously, we had the pandemic that pushed off a lot of our updates and that is why we asked for the one-year extension for the Public Safety Impact Fee. This is an infrequent process. There are multiple departments that have to go through it. There could be some synergies moving forward with consolidating all of this into one time. Speaking from just my personal feeling on it, when we do that, it can become confusing for the public, that you have Impact Fee for Utilities, Parks and Rec, and Fire, and then now we have our General Obligation Bonds that we cycle through. Our public input meetings for Public Safety are being pushed back so that we do not overlap the General Obligation Bond public input, because we want to keep the two issues clear to the public.

O'Neill: I understand. I think and I think I can speak for the Board saying it would be very helpful for our committee to get that in writing you know from each department, like the basic process. I think that is what Mr. Curnutt was kind of looking forward too was it not, to kind of, to help us understand it better so the public can understand it better and what we do. I mean I think if every department could, just a one page you know just like even if it is just for one year you know or.

Chair Lorenz: At least at the beginning of the Impact Fee Review process, right.

O'Neill: Exactly.

Chair Lorenz: You know for the last four or five years it would have made no sense to get such a document from Public Safety.

O'Neill: Right.

Chair Lorenz: For this year it would be crucial. I think we got a little bit of a description of what the process was going to look like, but not really as time bound as I think we needed to wrap our heads around it.

O'Neill: Would be helpful, I mean, I think.

Chair Lorenz: I think I did miss the point last time. I did not realize what you were looking for was feedback. In fact it felt to me so abbreviated in the report that I thought it was just like, well here is a little look at what you are going to get next month. Then when I saw the agenda item this month with Action on those
Land Use Assumptions, I was a bit shocked. I know I told Alma [ Ruiz], sure the Agenda looks good and completely intending to not accept those Land Use Assumptions because it felt like I got 5% of it compared to what I have seen in the past.

The other thing about the timeline that troubles me a little bit is taking Action on an item that is presented to us in the same meeting. The opportunity to review that, compare it to the past, give recommendation on how those monies should be spent, things like that, is difficult to do in the same meeting that the information is presented to us. I think we need to extend that timeline, at least to the point where we can get the information one month and be able to take Action on it at the next meeting, at the soonest.

O’Neill: I am just wondering how crucial it is for us to take Action today. I mean is it something that is pending that we need to take Action, or do we have some time?

Ruiz: Are we done with the Work Session/Training topic?

Chair Lorenz: Sure.

Ruiz: I do not know.

Chair Lorenz: Maybe.

Newby: This all started after Don joined this merry crowd. After the first meeting he and I sat here for another hour or so. Let the record reflect we were not the first ones to complain about this, but we did jump on board. Another piece of that had to do with the extraordinary tours that we get from the Utility Department. The two of us were on the last one. Incredible stuff, just all of your people are just so dedicated. My suggestion was, it would be great, once a year perhaps, Parks, puts us on a bus takes us around and shows us what is in progress, what is planned, etc. Same thing with Public Safety. When we are approving money for fire trucks or for a fire station, it would be great to go kick the tires.

I mean as an architect who is designed a lot of those, I probably need it a little bit less than the other guys, but when you are looking at lots and lots of slides with lots and lots of money added, if you can connect that line item with, oh it is one of those, I think it would really help educate us to, if not on an annual basis, on a periodic basis anyway, to get tours of all the folks who are coming to get us to approve different funding if we could go kick the tires.

Ruiz: Yes. That makes sense. I will defer to Chief Smith. I see Sonya nodding for Parks and Rec, so I think she is on board with the Parks and Rec.
Smith: Mr. Chair, Committee Members, Committee Member Newby. For Public Safety Impact Fees it has been one engine and the East Mesa Public Safety building that we have asked your recommendation for. It is a short tour.

Newby: But there would be lunch involved? Utilities feeds us a great lunch.

Ruiz: Because our tour, only because our tour is a half a day.

Chair Lorenz: Back to the Agenda Item in question. Would this committee be opposed to having a Work Session between the April and May meetings because it does seem like we need to have the April and May meetings? I would propose a work session between those two. Would that be acceptable to the rest of the committee?

O'Neill: Okay with me.

Newby: Just one question. When does the Land Use Assumptions need to be approved by us in order for you to stay on your schedule?

Ruiz: Could we yield this time for training and then move on to that particular.

Newby: Sure.

Chair Lorenz: Perfect.

Ruiz: Let us close the Work Session and Training topic, if there's no other discussion to be had, and we can go into the next one.

O'Neill: I do not have anything else.

Curnutt: I am sorry. What was the question?

O'Neill: Do we have anything else as far as this Work Session?

Curnutt: No.

Chair Lorenz: I think we will be able to schedule it over time over e-mail with Alma [Ruiz].

Curnutt: As far as scheduling is one thing, I would like to see if we could submit some agenda items as to how we approach that, some thoughts.

Ruiz: Yes.

Curnutt: Flesh that out.

Ruiz: If each of you have thoughts on what the Work Session should look like, or would like to look like, just go ahead and e-mail the CIAC Admin Support e-mail, and then we will get it from there.
Curnutt: Okay. All right. Thank you.

Chair Lorenz: Thank you.

Ruiz: Thank you.

6. **Action:**

A. **CIAC Members Approve and Sign the Annual Reports to submit to City Manager**

Chair Lorenz: Item 6 A, approve and sign the annual reports to submit to the City Manager.

Curnutt: That department.

O’Neill: Wait.

Chair Lorenz: He is next. He is 6 B.

O’Neill: Okay.

Chair Lorenz: Alma [Ruiz] has trained me well.

O’Neill: Seeing what agenda we are working off of. I have a ... one thing we need to determine also, if I can say, Mr. Chairman, is how we are going to present it. Are we going to present it? Are we just going to turn it in, sign it, and give it to the City Manager? Are we going to do what they did last time three years ago, which was the City Manager and Committee I think met with staff as well? I did not know how we were going to do that.

Chair Lorenz: What we discussed at the last meeting was that for these we would just turn them over to them.

O’Neill: Okay.

Chair Lorenz: By the presentation would be appropriate when we are making a recommendation to City Council.

O’Neill: That is right. That is right. Okay. Very good.

Curnutt: Mr. Chair. Did we need a Motion to Approve these or?

O’Neill: Yes, we need to take Action.

Curnutt: Did we, is it just understood?

Ruiz: No, it is a Motion?

O’Neill: No.
Chair Lorenz: I love that. Do I hear one?

Newby: I so move.

Curnutt: I second.

Chair Lorenz: All in favor.

The Annual Reports were Accepted Unanimously 4-0.

Chair Lorenz: Thank you sir.

Newby: Three years later.

Chair Lorenz: I just have to add I really appreciate all the work you put in Mark [O’Neill].

O’Neill: That was no problem.

Chair Lorenz: A large task.

Ruiz: Since Mr. Roberts is not here, we will just submit it without his signature.

Chair Lorenz: That is fine.

O’Neill: That would be submitted to the City Manager, that is like ...

Chair Lorenz: Ifo Pili.

O’Neill: Like right away right or this week or something?

Ruiz: Chairman, Committee Members. Alma Ruiz, Senior Office Manager. After this meeting we will scan it in. You will also be copied on the e-mail that I sent to the City Manager.

O’Neill: Oh great. Thank you.

Ruiz: Sure.

O’Neill: Then if they have any questions, they can always come back to us.

Ruiz: Yes.

O’Neill: Okay.

B. CIAC Members Approve Recommendation of the Land Use Assumptions presented for Public Safety Impact Fees

Fire Chief Jason Smith. The PowerPoint that you are going to see today is the same PowerPoint from February 17th. There were two questions that were remaining from the committee that our consultant did respond back to that I can provide their response for. What we are looking for today is taking Action and recommending the use of these Land Use Assumptions as we move forward in the Public Safety Impact Fee Development.

Willdan Group is our consultant. Last meeting, you did hear from James Edison and Carlos Villarreal. I know in here there are some slides that talk about the process. Since we had some earlier discussion about Work Sessions and Training, once we get to those steps, I will pause and kind of cover those. There is the process, step one review Land Use Assumptions.

That is where we are currently at with the Public Safety Impact Fee. Our hope was to have that completed by this meeting, that we could move forward and review that with City Council. We would be moving on with our CIP so that we do not want to develop the capital needs to meet what the fee says we will generate revenue. We really want our capital needs to kind of outline what we have to put in place to provide services to the community.

They are working on drafting the Impact Fee Analysis. Once we bring the CIP and the Impact Fee Analysis to this committee for their recommendation, we move on to stakeholder outreach. We already have May booked with the Homebuilders Association, and with Willdan Group to come down and do a presentation on that. The CIAC written comments. Impact Fees five business days before the CIP and Impact Fee adoption hearing. We are going to shoot for bringing all of that to you in May, because our plan is to do a work session with City Council after that meeting in May, and then June 6th, go to Council for Resolution to adopt the new Impact Fee for Public Safety.

I am here acting in the advisory capacity to review the CIP, look at Land Use Assumptions, make sure that we monitor and evaluate how we are spending those funds, annual reports as you just kind of finalized, and then any updates to provide advisement for that. The first part of it, the draft Land Use Assumptions is the growth of population from 2020 to 2030, and also the residents per dwelling.

This brought up the first question from last meeting was the residents per dwelling was that going to change or change over time. In our discussion with Willdan with Carlos and James earlier this week on Tuesday, the residents per dwelling unit does fluctuate over time. Since 2017 it has been steadily increasing, but when they went back and looked at the data they had from the American Community Survey Reports, there was nothing in there that made them think that the 2.43 was going to increase substantially to change the Land Use Assumptions when it pertains to residents per dwelling unit. Nor did they think that it was going to drop off. They felt the most conservative approach for this Land Use Assumption was to use 2.43 residents per dwelling unit for that 10-year projection. That was the first question.
The second question that was brought up was the University's (New Mexico State University) impact on density. In exploring that, two things came to mind, one was that our fees are determined on square footage for residential units. We have a range of square footage, and based on that square footage range, there is a fee associated with it. The smallest one being around 931 square feet, so under 1,000 square feet. An apartment complex, it is based on the apartment size. If the apartment has single bedroom lofts, something like that that are 900 square feet, each one of those units is paying that fee associated with it. The density does not pertain so much to that because it is based on square footage.

The other thing is explained to Wildan is the University and their housing if they construct more housing on the University that is not covered by the City Fire Department or police and we do not charge impact fees for their development on their property in their campus. Conversely, if they built something within city limits like Doña Ana County Community College or public schools, we do expect Impact Fees to be paid by those institutions to the City.

Those were the two questions that they followed up on that we had a lot of discussion with the consultants in coming up with making sure that there were no changes to the Land Use Assumptions that had to be made.

In following this, and we talked a little bit about the last meeting, and we presented this past week to City Council on the census growth. Our call volume for fire specifically has been about 3.4% year over year. I believe City growth is at 1.4% over the 10 years between the censuses.

I hear persons per dwelling unit per bedroom, you can see the chart that they were presenting. Another thing that they found in there the 12 months of data provided by Community Development, there were no studio or one bedroom apartment units that were included in any of the development.

Here you can see the ranges of person per dwelling unit based on square footage. We get into the employment density assumptions. We did have a lot of discussion on this when it comes to how do we develop the fees and what would be equitable to both our residential customers and our commercial customers.

Looking at this, warehouse density for employees obviously is a lot less than industrial or institutional. I think institutional I am thinking of our local hospitals or our extended care living facilities, things like that where there are a lot of staff and then office and service areas where there are more employees per square foot. Those were the draft Land Use Assumptions. I am ready for questions and taking notes.

Chair Lorenz: Chief. Could you go back to, I guess the next slide after that I think it is. This is the one that really gave me heartburn this morning. How could there be 0.6 people living in a dwelling? You catch my drift? Typically, in a small apartment
maybe it is one person, maybe it is two persons, but to use a figure of less than a person on the average, it just did not make sense to me.

O’Neill: They just wanted the allocation.

Smith: I believe that is because the data sent to them from Community Development did not include anything built that was less than 900 square feet. So, 901 was the lowest that range there, 901 to 1,300 was the lowest amount sent to them. There was no construction of that size.

Chair Lorenz: Right. I mean apartments really the only thing an apartment or a condo is really the only thing that makes sense to be under that square footage. Even as an apartment that is pretty small, but they do exist. One of the things that okay, so last time we went through the Public Safety Impact Fee, it became progressive. Previous to the last Public Safety Impact Fee Review it was one fee per dwelling unit period, did not matter if it was a 900 square foot apartment or a 5,000 square foot you know home, single-family dwelling, the Impact Fee was the same. Then the last time we went through

O’Neill: How long ago what that?


Chair Lorenz: 2014.


Chair Lorenz: I did not sit on this committee. I was just a member of the public having input back then. I watched that process happen. I was involved a little bit in the public outreach. It was one of the reasons that I sit on this committee today, because I saw that happen. What they did is there was a lot of pushback on increasing the fee. That pushback on increasing the fee was focused around affordable housing. In an effort to keep housing, the less expensive housing as affordable as we could, the consultants at the time created a fee that was progressive.

The smaller the home, the lower the fee; the larger the home, the larger the fee. If we look at the financial review, I do not know if you still have that available to you. I do not have, here it is, on page five of the Public Safety Impact Fee. If you look at the revenues, they are pretty consistent following the housing market. We do not have the data for before 2014, but if you look at the expenditures, now they track very well to what the income is. In fact, we are barely off, if you look at just the one year on page three, the expenditures, and revenues on the same graph, I mean it looks like we are falling just a little bit short from what we are spending, but it looks very in line. Mr. Newby even commented on how nice that graph works and how much sense it makes.
Then when I see this, this makes me wonder if they are going to make that even more or less progressive than it is now, depending on dwelling size. We are impacting the state of the economy these days is really impacting affordable housing. A new home is now out of the reach of an entry level Las Cruces. I know the first-time homebuyer in Las Cruces cannot really buy a new home in Las Cruces anymore. It is a thing of the past. That is what made me want to challenge this, because there are dwellings that small. There is a lot of them in Las Cruces. In fact, Ralph Salas is building some right now on Sonoma Ranch in Northrise. There is an apartment complex going up right there with one-bedroom apartments, and I cannot imagine they are bigger than 900 square feet.

This one gives me a little trouble and I was hoping this week or this month, we would see the rest of those Land Use Assumptions. It sounds to me, and please correct me if I am wrong, is this set of Land Use Assumptions you are providing to us today, and they provided to us last week, I guess it is more of a question than a statement. Is 100% of it coming from Elevate Las Cruces? Are those Land Use Assumptions, those growth patterns, those number of people living in each house, is that directly from that document? Because that process began what, four years ago, three years ago? The Elevate Las Cruces. Did I convolute my question too much? I ramble. Sorry. Thank you.

Smith:

No Mr. Chair. I will go to their footnotes for the draft Land Use Assumptions from the 2020 Census data, shows the growth of 1.2%. Also from figure 3.2, from the Elevate Las Cruces Comprehensive Plan, and then the American Community Survey Report, as well as data from Community Development. That is where they are coming from. This is their report minus the narrative that shows or describes their methodology. This is the data minus the narrative describing how they came to those results.

Going to the other statement on affordable housing. This chart here I think if there was direction of wanting to see persons per dwelling unit make sense, that we have at least one whole person for each range, that would be the feedback or the information I would take back to the consultnts. If we are talking about the actual fees that will be associated and how those get constructed, that will be at a later meeting.

Chair Lorenz:

Right.

Smith:

That will be after we provide the capital needs for Public Safety. On that, just you mentioned both so direction on what you would like to see.

Chair Lorenz:

You know, I guess that is what is getting me, because I do not think we have approved Land Use Assumptions without the fee analysis before. My reservation is that how is this information going to be used later, really makes me wonder or makes me, the unknown of how it is going to be used later makes me question the way the data is used now and the way the data is tabulated now, and how that is going to affect the calculations later.
When we look at the population numbers, I mean I see no problems there at all, that looks a lot like Las Cruces to me. I think right now we are probably a little higher than 1.2, and back in 2014 we were a little lower than 1.2. If you average it out over a long period of time, somewhere between 1.2 and 1.6 is probably what I would call is accurate here. From a population growth standpoint, these numbers make a lot of sense to me. 2.43 on the average, maybe that works.

Smith:

Mr. Chair. That is what I would ask for, for this meeting is if there is something, a data source of information that you could point me to, to share with the consultants that says, this is wrong and why.

Chair Lorenz:

Right.

Smith:

I would take that back. In speaking to them of what is next in the process, this develops the type of growth we have and how many residential units, and then how many commercial buildings we could expect. Then we use our call data to say, okay based on these new buildings and this new growth, this is how much more you are going to need in capital items to provide that based off of what we are using right now.

Our annual budget, I will not speak to PDs because I do not check MUNIS on what they have, but we are roughly around $18 million a year. I think capital-wise we are probably somewhere north of that when you look at all of our buildings and our apparatus and equipment. I would guess we are well over like $20 million, $21 million in capital. How much extra do we need to expand to provide the same level of service we currently do, based off of how much growth we are going to have, and what type of growth - commercial, residential? Go from there.

I have asked a lot of questions as this is my only second time going through Public Safety Impact Fee update. Where do we go next? Why are Land Use Assumptions so important? That is why is they want to be able to describe, based off of this type of growth, these types of occupancies, this is the call volume you can expect. Now what do you need to do to make sure your level of service does not deteriorate when your call volume goes up by X?

Chair Lorenz:

Any questions or comments? Mark.

O'Neill:

I have a comment. I think based on the graph; I think it is in line. I could not begin to say, maybe you could. I do not know if anyone else on the committee could say, well that should not be like that, it is wrong. Because we do not know how they arrived at it exactly, how they came to that. That is some of the things we will find out as we go, I would imagine. I could not say well that is too low or that is too high, or it should be changed or anything like that, especially when you look at the graph and it is aligned better than most things. That is all I have.
Chair Lorenz: Mr. Curnutt. Mr. Newby.

Newby: Chief. A couple of dumb questions. I will hold the question about the University students and their density, you said since the police and fire do not cover them, then they are not counted. In this total population here the projections, does that include the University students?

Chair Lorenz: Depends on where they live.

Smith: Mr. Chair, Committee Member Newby. I believe that depends on where they live and are they residents. If they are included in the census as living here and being residents and we are looking at population growth, then they would be included.

Newby: Okay, so if they live on campus, then they are not included?

Smith: Well, they would not be included in the fee. Any growth on campus for housing, or buildings that they are constructing, none of that goes to our Public Safety Impact Fee.

Newby: Okay, that is starting to make sense. Second question, could you go to the slide where you showed the different densities per dwelling unit. You have this mix of square foot range and how many persons per dwelling unit. The last one is 2,100 square feet is 2.43. Now to go back to the previous slide.

Smith: This one.

Newby: For every dwelling unit you are using the largest number 2.43. In other words, is not titrated. You have this many 900 square foot, so that is 0.62, you have this many 1,000 to 1,200, you are using the highest number, which my assumption would be that every housing unit has got to be over 2,000 square feet based on what your assumptions are. Could you explain why the highest number was used?

O'Neill: Yes. Good question.

Smith: Mr. Chair, Committee Member Newby. I would only refer to Willdan's footnote, that that 2.43 is the average residents per unit dwelling across all dwelling unit types.

Newby: Okay, then go back to the other slide. The math does not work.

Chair Lorenz: That last one should be 2.43 plus.

Newby: 2.43 is for 2,100 square feet. I can assure you the average size of a house in Las Cruces is not 2,100 square feet. I am still confused. I saw the footnote but mathematically it does not make any sense because they are taking the highest numbers per house regardless.
O'Neill: For everything, yes.

Newby: Of their own data. So, I am sorry, I do not understand.

Smith: No, I understand that. They would have to explain how they got to those fractional numbers below 2.43. If 2.43 is not the highest, it is the average, right? I have got four people in my house. 2.43, does that average apply to every 1,000 square foot apartment? I would have to ask Wildan to explain that. Yes.

Newby: I am not saying the 2.43 is an average. I am saying the 2.43 is the persons per dwelling unit for 2,100 square feet or more, just like the 2.26 is for 1,700 to 2,100. I have not seen, these all added up and then divided by five, that would give you the average. Even that would be false, because you might have a lot more 1,300 square footers than you do have 2,100 square footers. It is just a math problem? I do not understand the math. I am sure there is an easy answer, but I cannot come up with. If you can find that out for us, I would appreciate it.

Chair Lorenz: Any more questions for the Chief? I am not sure if I will hear a Motion here, but I am kind of curious.

O'Neill: I am left with a question is why they use the 2.43 straight through every year for everything. You are saying it is an average overall.

Smith: Chair and Committee Members. We did ask that question. They did not find anything in the data from the census or the American Community Survey that led them to think that that number was going to continue to trend higher. Nor did they find anything that made them think it was going to drop lower. When they looked at the American Community Survey from 2017, on the average number of people per dwelling unit across all residential sizes, was increasing. When they looked at information, they did not see anything that would make them think that it was going to continue to grow. Because we did ask them that question directly. The only thing I could say is like, the math somewhere is explained in this chart here on dwelling size. They have that 1,000 square foot house a minimum just over one person. I am sure, I would guess that if I was going to look at that nonlinear trend line and go down to 900 square feet, that that would put me under one person per square foot or per housing type of that size, which is where they got.

Chair Lorenz: 0.63.

Smith: 0.63. They are looking at a mathematical equation rather than explaining things and people, whole numbers.

O'Neill: Like Mr. Newby said, it has a lot to do with how many of each size dwelling there is. I mean, how many 2,200 Compared to 900? I mean, how many of each size dwelling...
Smith: Yes.

O'Neill: ...to do that math? I do not know if they did it that way, but I mean you would think they would have.

Smith: I will take that question back to them, but when I look at this chart, I am expecting that somewhere behind it is a data sheet that has all the sizes of buildings that they have information for along with the number of residents from the census or the American Community Survey, and they put in a trend line and a couple of plots to illustrate it. Then they are representing that to express this trendline, so it is it is the math, that is why we get less than one whole person living in a 900 square foot place.

O'Neill: When was this done?

Smith: This was their current work from this year.

O'Neill: This year. Current year.

Smith: Yes, in the last two months.

O'Neill: Thank you.

Smith: That is the explanation of, and seeing what they have here, it is a trendline based off the sizes of all occupancies and number of people living there per the census and Community Housing Survey.

O'Neill: How important is it that we vote on this today, take Action today? Does it stop your projects?

Smith: Mr. Chairman, Committee Members. Does it stop our current projects? We have no current projects funded through Public Safety Impact Fee other than debt service. It will impact the fee, and if we continue the fee pass June. If we run into issues with a recommendation from approval from you, or I take the route of moving forward without your approval. That is really what it comes down to is where do you guys feel that we should be at? It would be like if we cannot move forward before June, I still have to go to Council in June and present them all the facts of everything that took place.

O'Neill: This was done by a consultant.

Smith: Yes sir.

O'Neill: This has been reviewed by staff.

Smith: Yes sir.
O'Neill: They agree with the consultant that this is where it should be is what you are saying.

Smith: Yes sir. We forwarded it to Community Development. We did not get any responses back from them with concerns. Our staff looked at it and probably through the same lens as you have. We have got the information you have with some one-on-one conversations with Willdan where it made sense for our community to be growing like this. This was not something that seems so obscure that we are like, well no, Las Cruces does not grow that fast or no we are not growing that slow. This seemed very consistent with what we have seen since 2010.

O'Neill: This still has to go to City Council.

Smith: It does.

O'Neill: When does it go to them?

Smith: It will go at least three times, two Work Sessions and one regular meeting for Resolution.

O'Neill: Do you know when the first time is coming that that is going to them?

Smith: If you give me just a minute I will find out. I have got it on an e-mail.

Ruiz: Alma, Ruiz, Senior Office Manager for the record. In consultation with the City Clerk, Christine Rivera, she brought to my attention that Chief is taking this to City Council Work Session on April 25th. We are suggesting that you table this Action until after the Work Session, and then have Chief bring it back in the May 19th, for voting. Then you know the decision of what City Council made, and then he can take the final resolution in June as planned. Because she said you were taking it in June. I mean, if that works with Chief, but those are the recommendations from City Clerk.

Chair Lorenz: My concern is less with the review of the Land Use Assumptions and more with the review of the proposed fee schedule. These give them something to multiply by the multiplier is yet to be seen. The more progressive that that scale on page, what was it, the person's per dwelling unit, the more progressive this scale is, the more progressive the fee is going to be. Let us say you make it $1,000.00 per person, right. The 2,100 square foot and more houses are going to pay $2,400.00; the 900 square foot houses are going to pay $630.00. That is what is coming, right. We just do not know what the multiplier is yet. The less accurate that this is to reality, the more progressive the scale is actually going to be right.

If we are actually going to assume that there is less than a person living in a house, which is absurd. But if we are going to take that as an assumption, then that is the way the fee is going to be calculated later. Now, does that
mean we should charge that person living in a 900 square foot dwelling less because they are only 63% of a person? Well you know in the interest of affordable housing; I think some people might make that case.

O'Neill: Yes, I do not have a problem with it.

Chair Lorenz: That is why I draw concerns with this, because the next section all that we are going to get out of it is a multiplier, what is that number, and then they are going to take this scale right here, which remind yourselves in 2013 this table did not need to exist because it was not a progressive fee. It was one fee per dwelling in it. It did not matter what your dwelling unit was, you paid that fee for everyone you built, whether it was a 700 square foot apartment or a 5,000 square foot house in Sonoma Ranch Estates, right, it was all the same. The last time I think we split up into, is it two or three, just two, right, 2,100 square foot and below, 2,100 square foot and above. Do you know off the top of your head?

Smith: Chairman. I do not recall the fee that was in place between 2010 and 2015. I believe starting in 2015, now it resembles this scale.

Chair Lorenz: Does it have that many categories?

Smith: Yes sir.

Chair Lorenz: Maybe it only impacts me because I never built anything under 1,700 square feet, so maybe I only remember the two. That is probably the case. Where that multiplier is coming from, that is my only reservation of why I bring up this scale. That bottom piece of it seems unreasonable, and the top piece of it seems more reasonable, although Steve did not wrap his head around the math. 2.43 makes a lot of sense for what I see, and I made a lot of them.

Curnutt: Let me ask a question. If we table it and readdress it in two months, what are we asking the Chief to go and do and bring back so that we can make a logical decision? I do not know that I can challenge or would challenge any of the numbers, so I do not know what two months is going to buy us.

Chair Lorenz: I agree with you completely. I think the one thing that I am missing and Chief what you mentioned was stripped out was the narrative. The narrative I did not realize how important it was to me until today, but I need to understand. I need to understand where those numbers come from and the methodology that they used. It is critical to me. I do not mind taking a vote on this and passing it today, even though we do not really agree with it 100%. It is going to come back here in a couple of months when we make a decision on that fee structure itself.

Smith: Committee Chair and Committee Members. My plan would be to come back next month regardless. I appreciate the effort of staff of trying to give me a little shade here and grace. Thank you. With our timeline, if you were not going
to move forward on the Land Use Assumptions, I would ask that to be in April. April, we were planning to have the consultant back here as well because we plan on bringing you our capital needs, as well as that multiplier. I believe there is a lot of discussion that we should have on the sections of this fee schedule. I would really want your input when we see the fee in that multiplier where you want us to go with that, and what recommendations you would have that we could incorporate and take to Council for their Action.

Chair Lorenz: That sounds fantastic to me. I would love it if we could see it in April. I would love it if we could get the packet as far in advance of that meeting as possible.

O'Neill: Your suggestion is to table it till then or you do not care. You just as soon see us pass it the way it is.

Smith: Mr. Chair and Committee Members. I do care. I care a lot.

Newby: In that regard. Mr. Chair, I will make a Motion to pass the assumptions.

O'Neill: When we do it on discussion. I have a question of Alma [Ruiz].

Chair Lorenz: Do I have a second? Then we will open that discussion.

Curnutt: Second.

Chair Lorenz: Give Chief the relief. Thank you, sir.

O'Neill: I just wondered, what was the reason the City Clerk suggested we table it, just because we are discussing it. Is it because of our discussion about it that we are? It is unclear.

Chair Lorenz: Normally we do not chat so much.

O'Neill: I know.

Ruiz: Alma Ruiz, Senior Office Manager. Only because there was a feeling like you were going to not approve it, and then it would kill the process. Instead of taking a vote and ...

O'Neill: Oh I see.

Ruiz: ...it does not pass and dies; we would rather you table it so that the discussion can continue.

O'Neill: Thank you. I just wanted a clarification on that. I have no trouble approving it though.

Chair Lorenz: Any further discussion before we vote? All in favor?
The Land Use Assumptions for Public Safety were Accepted Unanimously 4-0.

Smith: Mr. Chair and Committee Members. If I could just clarify one statement earlier. I want my intent to be clear. When I said if you were not going to pass it, I would still have to move forward. I just meant that I have to move forward in the process. I hope it did not come across that I did not value your opinion and feedback. It was just like we have to stick to the timeline...

O'Neill: Because we are not going to go back and refigure.

Smith: ...and present to Council and be like after debate was not recommended or supported by your committee.

O'Neill: We understand.

Smith: Thank you sir.

Chair Lorenz: Absolutely. Please ask the consultants to include the narrative in the April review.

Smith: Yes sir.

Chair Lorenz: I appreciate - you know I do think a lot of boards and committees tend to prefer the abbreviated executive summary and I just do not. I want the meat and potatoes. So thank you sir.

Newby: I will second that.

Chair Lorenz: Finally made it through action 6.B.

7. Next Meeting Date - April 21, 2022:
   A. Old Business:
      i. Public Safety Impact Fees Update

   B. New Business:
Chair Lorenz: Seven is, next meeting is April 21st. Alma [Ruiz], I would like it if we could accelerate, and I know normally I am the stick in the mud. Your staff does a great job calling me to make sure that I have reviewed the minutes, make sure I have seen the Agenda. I will be on top of my e-mail. The sooner in the month that we can get that information, I think it is going to be the most premeeting work we have done in a while.

O'Neill: You want to do, see if there is any?

Chair Lorenz: Yes.

Ruiz: Chair, Members, Alma Ruiz for the record. That will be just really dependent on when we get the information from Chief Smith and any other Agenda items
that get added to the Agenda, then we will set a tighter timeline to receive those presentations from staff.

Chair Lorenz: Is there anything to inhibit you from sharing the report from Chief Smith as soon as you get it regardless if the agenda was approved or not?

Ruiz: No.

Chair Lorenz: Can we just do that?

Ruiz: As soon as we get that piece of it, and then we will still include it in the Agenda Packet. However, I ask that no discussion between the members occur. If you do have questions and/or comments to go back to Chief Smith, that it would be e-mailed to the CIAC Admin Support e-mail so that we can then filter it to him.

Chair Lorenz: That is perfectly reasonable. Thank you so much.

8. Public Participation:
Chair Lorenz: Next is public participation.

There were none.

9. Board Comments:
Chair Lorenz: Any comments from the board?

O'Neill: I just like to wish everybody a Happy St. Patrick's Day today and hope everyone has some big plans for tonight.

Chair Lorenz: Well my nephew's getting married on Saturday, saved all my big plans for that.

O'Neill: My goodness you got a big week. You have to wear green then since you did not wear it today.

Chair Lorenz: Yes Mr. Curnutt. I am sorry, I thought you were raising your hand.

10. Adjournment:
Chair Lorenz: Well, then that is it. I will Adjourn. Let me add one more comment. That is a thanks to Mr. Curnutt for inspiring so many questions. Maybe we do get a little bit automated here. Your questions are an asset to us all. Thank you.

O'Neill: Helps us all.

Chair Lorenz: Now I will adjourn.

Curnutt: Make a Motion to Adjourn.

O'Neill: I will second.
Chair Lorenz: All in favor, say Aye.

The Motion to Adjourn was unanimously 4-0.

Jason Lorenz, Chairman

Date 4/21/22