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City Council decision on impact fees makes waves

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EL PASO, TX -- El Paso City Council approved a controversial decision to support impact fees on Tuesday, and that decision continues to make waves.

In a 4-4 tie with the Mayor casting the deciding vote, City Council decided to create a fee to cover the cost of infrastructure for new developments on the outskirts of the city.



Tuesday night, city representatives debated the hotly contested issue before a packed house in its chambers downtown. Dozens of current homeowners and home builders wanted to hear what City Council decided.

The issue centered around the current structure of how home development costs are covered. El Paso Water Utilities picks up the estimated \$2,000 cost of installing fresh and waste water lines into each plot in a new development. It takes that and spreads it among current homeowners and renters in their water and sewage bills.



Council voted to charge developers 75 percent of that impact fee.

Some city representatives said new development should pay for itself, and that would be possible with the impact fee, which would be paid at the time developers and builders apply for building permits.

The president of the El Paso Association of Builders has said the impact fee is unnecessary because developers absorb some of the infrastructure cost already. Ray Adatao had also said implementing an impact fee would put new, affordable homes out of reach for new home buyers.

The impact fee goes into effect immediately, though the fees do not apply to land recently annexed by the city under annexation agreements. "Quite frankly, the home builder is going to pass the cost over to the consumer at some point," said Adatao. "So how a City Council person can stand there and say it doesn't impact the average person is absolutely ludicrous. They don't get it. "

The Special Projects Director for the city disagrees. "It would offset the cost that's currently

being paid by the rate payers through the utility bills to fund new development," John Neal said. "I understand their (EPAB) concerns and their position. I just think on the whole when you look at it from that perspective, that it makes sense to cause new development to pay for itself directly."

In the Northeast, the impact fee will be just under \$1,500; on the Westside, just over \$1,500; and on the Eastside just over \$1,600.

VOTING BREAKDOWN:

For impact fees

District 1 Rep. Ann Morgan Lilly, District 2 Rep. Susie Byrd, District 7 Rep. Steve Ortega, District 8 Rep. Beto O'Rourke, Mayor John Cook (tie-breaking vote)

Against impact fees

District 3 Rep. Emma Acosta, District 4 Rep. Melina Castro, District 5 Rep. Rachel Quintana, District 6 Rep. Eddie Holguin, Jr.

by Anchor/Reporter Stephanie Valle and Reporter Rachel Abell



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