

## City looks at jump starting construction

*By Larry Blaskey*

*The Douglas Dispatch*

Would reducing or waiving development impact fees act as an impetus for new development or simply put more financial strain on existing residents?

Councilman Bob Fernandez brought up the question during the regular meeting of the Douglas City Council on Wednesday, March 11, at the City Hall.

A few communities in the state had already been asked to waive their development impact fees, and Fernandez sees it as a way to spur on construction in Douglas.

“I wanted to see if eliminating the impact fees for a time would cause a splash of new development. There hasn’t been any new residential development since we increased the fees,” he said.

City attorney Juan Flores said the new fees took effect on March 1, and no one has yet to pull a permit and pay the new fee.

He also said that there has been a push by developers throughout the state to put the fees on the shelf for the time being.

Earlier in the week, Tucson considered a similar move but instead looked at a plan to defer fees – pay half when the permit is pulled and half at final approval.

Mayor Dr. Michael Gomez brought up information from the Arizona League of Cities and Towns, which indicates, “suspending the impact fees does nothing to reduce infrastructure costs. It doesn’t help the economy. The league report said there was little evidence that suspending impact fees encourages new development.”

Fernandez thought that few municipalities in the state were making any kind of effort to listen to the builders and “This is an opportunity to get building going in Douglas. Let’s use our commonsense and see what we can do.”

City Manger Curtis Shook also pointed out that there currently is legislation in Phoenix, which would call fro a moratorium on development impact fee increases.

Michael Martinez of Southern Arizona Real Estate said that the impact fee really isn’t taxing the developer, but the new people coming to Douglas.

Mr. Faulkner of the Coronado Hills Subdivision said this is the worst time to implement an impact fee because there are still a lot of houses on the market. "As the cost of homes go up (due to new fees) the sales go down.

The matter was only a discussion item. No action was taken.

The council decided against creating two new positions to assist the manager with overall management, even though Shook said the positions would not cost the city additional funds.

The two positions sought were Assistant City Manger and Administrative Services Director.

Shook said the positions were essential in providing need oversight of major projects within the community as well as strategic direction of administrative services including planning and performance measurement.

The city approved the second reading by a 5-2 vote, removing the two new positions and putting in a new IT Technician instead. It will go for a third reading at the April meeting.

The recommendation that was approved called for changes to the current Community Development Department, which now would includes a new Housing, Neighborhoods and Grants Division that would take in current Housing and Code Enforcement staff, plus a Parks and Recreation Division with Recreation, Golf Course, Aquatics, Parks and Cemetery.

The existing support staff would assist the department as well as some staff transferred from other departments. Other current functions and positions of the Community Development Department would be transferred to Public Works, such as Facilities Maintenance, Airport and Planning and Zoning. Also, all major finance related functions would then be moved to the Finance Department.

The city council also approved a first reading of an ordinance, which would rezone nearly 5 acres located east of Washington Avenue and north of Golf Course Road for a planned residential area with 60 lots.

During the meeting, it was reported that the major issues had been resolved. Those issues including flooding, access for emergency vehicles to the site, installation of street lights, review for a future site for a school facility and providing more green recreation space in the second phase of the project.

During the council reports, Mitch Lindeman brought up the problem of graffiti in the Bay Acres area, while Fernandez questioned the role of the Department of Industrial Development and asked why was the Visitors Center using city vehicles to take people to Mexico. Councilman Ray Shelton said the council and city should do more to encourage people to shop here. This was in light of a presentation made the Downtown Merchants Group. They thanked the council for previous assistance and said they are planning activities including a promotion of accepting 13 pesos on the dollar instead of the 15 pesos

no being accepted at many stores.

Councilman Ivan Huish also remarked how proud he was to see the city band together when times get tough and their support of the recent Soccer Team carne asada.

In other action, the council:

- Approved a bid proposal of \$15,100 from Engineering and Environmental Consultants Inc. for transportation planning and engineering services required for the six intersections in and around the Douglas Call Center.
- Approved an ordinance, and declaring it an emergency to charge an additional \$75 fee to be paid for Golf Course Clubhouse rental to pay for the cost of security services during the event.
- Approved the first reading of an ordinance, which would reduce the age for those eligible for a golf course Elder Pass from 78 to 66 and older.
- Approved the first reading of an ordinance repealing Chapter 5.02 of Title 5 of the Douglas Municipal Code to update several outdated sections needing modification including updating definitions that use concepts that have been out of use for decades.
- Approved a resolution revising the city of Douglas PHA Administrative plan. It has to be revised on an annual basis to include regulations outlined by the U.S. Department of Housing and Urban Development.
- Approved a resolution to apply for grant funds to purchase four LCD televisions for the Douglas Public Library.
- Reviewed a report from Jorge Trevino, Finance Director/City Treasurer indicating the city received a clean opinion on its audit. “That means that the financial statements present fairly, in all material respects, the financial position of the city, as a whole, as well as at the fund and component units level.