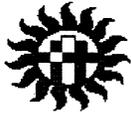


Special Meeting
January 29, 2010



**City Council
of the
City of Las Cruces**

Special Meeting

**January 29, 2010
12:00 P.M.**

Council Chambers, City Hall

MEMBERS PRESENT:

STAFF:

- 14 Mayor Ken Miyagishima
- 15 Councillor Miguel Silva, District 1
- 16 Councillor Dolores Connor, District 2
- 17 Councillor Olga Pedroza, District 3
- 18 Councillor Nathan Small, District 4
- 19 Councillor Gill Sorg, District 5
- 20 Councillor Sharon Thomas, District 6

- Terrence Moore, City Manager
- Harry (Pete) Connelly, Deputy City Attorney
- Esther Martinez, City Clerk

I. CONFLICT OF INTEREST INQUIRY BY MAYOR AS REQUIRED BY LCMC SECTION 2-27(E)(2). *At the opening of each council meeting, the chairperson shall ask if any member of the city council, city manager, or any member of the city staff has any known conflict of interest with any item on the agenda.*

Mayor Miyagishima asked if anyone had any conflicts with anything on the agenda?
None given.

II. RESOLUTIONS AND/OR ORDINANCES FOR DISCUSSION

(1) Resolution No. 10-200: A Resolution Declaring the Intent of the City of Las Cruces, New Mexico (The "City") to Form and Implement a Special Assessment District (The "District"), to Fund Street and Utility Improvements for a Two Mile Portion of North Sonoma Ranch Boulevard and to Levy Assessments on Real Property Benefitting from the Improvements to Pay the Costs of the of the Improvements and the District.

Councillor Thomas Moved to Adopt Resolution No. 10-200 and Councillor Sorg Seconded the motion.

1

2

3 Mark Sutter, Finance Director gave an overhead presentation and said there are two methods to
4 bringing in a Special Assessment District which are a provisional order method and a petition order
5 method; I think this will probably be the petition method. There is a series of public actions that have
6 to take place and Council has to do things like have public hearings, approve resolutions, approve
7 ordinances; so, there is a whole string of events that involves public action and public information.

8 The last Special Assessment District was in 1991 and it was approved in order to do some
9 improvements in the Alameda area. Council will create this Assessment District and the City will
10 issue debt for construction and it would be a general obligation debt that is only related to the
11 properties defined in the district area.

12

13 Councillor Thomas asked does this diminish the City's bond capacity?

14

15 Mark Sutter said no.

16

17 Councillor Thomas asked what would happen if we couldn't collect the taxes; what is our liability?

18

19 Mark Sutter said the City would exercise all due diligence and foreclose on the property and use the
20 proceeds from selling the property to satisfy the bond holders.

21

22 Councillor Connor asked what if there are other liens on the property?

23

24 Mark Sutter said I was told that a lien that is placed with the Special Assessment District is a super
25 priority but that will be part of our discovery process.

26

27 Councillor Connor asked if there is a slow down of the selling of the property, is there a way that we
28 can collect payment from the developer or is there a way to collect principal so we don't have this
29 out there longer than we intended?

30

31 Mark Sutter said the structure that they have been using a lot lately is putting a back load of principal
32 and having some early years with different sets in there, we're paying interest only or things like that
33 but the tax itself is required to be paid on specific dates.

34

35 Councillor Sorg said I think this sounds more like a Pavement Improvement District.

36

37 Mark Sutter said we have done one PID and it was a very long process and it didn't actually bring
38 the project forward.

39

40 Councillor Sorg said I was told that there would need to be five resolutions brought forward and it
41 would take about five months; is that true?

1

2 Mark Sutter said I don't know the number of resolutions that will need to be brought forward but
3 there is a combination of resolutions and ordinances that Council will have to consider.

4

5 Councillor Pedroza said I don't think that this project would fit under the Special Assessment
6 District list of acceptable projects.

7

8 Matt Kinney, DBI gave an overhead presentation and said one of the benefits is that the
9 improvements will be on public lands and give access to public schools. Our goal is to bring the
10 mixed use concept of Metro Verde to the larger area and we want to bring additional mix use centers
11 to the area. There are several ponding and drainage areas that will also serve as a park and trail
12 function. We are looking at building a whole cross section of Sonoma Ranch Boulevard from
13 Thurmond Road to Arroyo Road which is approximately two miles. We have a contribution from
14 the schools of \$1 million for sewer and gas. There is a thousand acres that will be tied to the
15 Assessment District and the property tax will be levied on those properties to pay off the remaining
16 cost of the project.

17

18 Mayor Miyagishima said I want to mention that this resolution is only a declaration of intent.

19

20 Councillor Silva said the taxes will remain only in that district, correct?

21

22 Mark Sutter said yes.

23

24 Councillor Small said this is clearly an improvement from what was first brought forward. There are
25 still a lot of issues that we will need to address as this continues to move forward.

26

27 Councillor Pedroza asked once the street is built, does it become the City's responsibility?

28

29 Mayor Miyagishima said yes.

30

31

32

33 Mayor Miyagishima called for the roll on the Motion to Adopt Resolution No. 10-200 and it was
34 Unanimously APPROVED. 7-0

35

36

37

38 **Meeting Adjourned at 12:54 p.m.**