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Council goes for La Fe's Downtown project, \$58 million in bonds, Smart 101 bus line

by David Crowder

For a while during the 4-1/2 hour debate at Tuesday's El Paso City Council meeting, it looked as though Centro de Salud Familiar La Fe's \$8 million Magoffin Park Villas apartment project was in trouble.

Compared to many apartment projects, it is relatively small, with 91 units sitting on just 2.2 acres. But it is the first new construction of its kind to be planned in the run-down Magoffin Historic District area in decades and the first major residential piece of the city's Downtown redevelopment plan.

So, a lot was riding on it for everyone involved: La Fe, City Council, Mayor John Cook's administration and, some said, the city itself. And the pressure was on.

The project faced strong opposition from some nearby property owners and the city's Historic Landmark Commission. But there was also heavy support from those who believe the project will be a "Downtown catalyst development," as it was labeled, that could kick-start new investment just east of the new federal courthouse.

The Downtown district's representative on the council and a strong proponent of the project, Beto O'Rourke, had to sit out of the discussion and abstain from voting because his wife works for Centro de Salud Familiar La Fe.

Before leaving the council chambers, however, O'Rourke said the 2.2-acre project "is by far the most positive project I have seen in my four years on City Council."

Because of the opposition by owners of more than 20 percent of the surrounding property, two no votes by the remaining seven representatives would have defeated the proposed zoning change and killed the project. La Fe was seeking to downzone the property from heavy commercial to a new category, residential-mixed use.

But the council voted unanimously in favor of the rezoning and then to close two-block stretch of Ange Street along with two alleyways that the project will be built upon.

Then, by a 5-2 vote, the council upheld La Fe's appeal, overturning the landmark commission's denial of a certificate of appropriateness for the project. Still pending, however, are questions about the project by the Texas Historical Commission that the city must overcome.

The apartment project on the edge of the Downtown redevelopment plan area was put together by a specially established for-profit arm of the nonprofit La Fe and Russell Vandenberg's TVO Development, part of the larger TVO Group headquartered in El Paso.

The project is partly inside the Magoffin Historic District, and the Historic Landmark Commission recently voted 6-2 against it. By that vote, the commission found that the part of the apartment project in the district

was not historically appropriate because of the building's size and the large parking lot that will face Magoffin Avenue.

The Magoffin Park project was supported by the City Plan Commission, now headed by Carlos Galinar, La Fe's community development coordinator, who said he abstained during all plan commission proceedings and votes involving the project.

The project will receive \$1.5 million in federal community development funds from the city and is getting to develop on two city alleyways for free because 19 of the 91 apartments will be reserved for low and moderate-income residents. Those apartments will rent for an average of \$300 while the market rate apartments will be going for an average of \$800 a month.

In the past 10 years, Assistant City Manager Pat Aduato said, there have only been five building permits taken out in the historic district, two of which went forward.

The area, she said, is dead when it comes to new development. There have also been 600 environmental code violations in the area.

La Fe's presentation also cited statistics showing the census tract that includes the nearby Magoffin Home State Park has the nation's eighth highest poverty rate in Texas, the fifth highest child poverty rate and the twelfth highest elder poverty rate.

Among the opponents was lawyer Richard Gonzalez, whose office is close by on Magoffin, who contended that the project is too big in its physical size and number of apartments, incompatible with the neighborhood and not in keeping with other buildings in the historic district.

"The two huge buildings dwarf everything in the neighborhood and destroy its historic character," Gonzalez said.

La Fe and the TVO failed to involve the neighborhood in discussions about the project.

He noted that every historic organization – the city's, county's and state's – are opposed to it.

Daphne Hamilton, chairwoman of the city's Historic Landmark Commission, said she personally supports the project but voted against it because she wanted it brought back to the commission for more work to bring it into line with the neighborhood and the commission's guidelines.

But lawyer Martie Jobe, whose office is not far away, said the project will coincide with the completion of the new federal courthouse building and is exactly what the area needs.

"It's time to move the city forward," she said.

Maria Stoiber said she invested more than \$2 million in two apartment buildings adjacent to the site only to find that her new tenants loved the buildings but hated the neighborhood because of all the problems there.

"Now when people come, they see two big beautiful buildings and a lot of ugly areas," she said.

Stoiber said she signed a petition against the project before fully understanding it and now is strongly in support of it.

It was well after 3 p.m. by the time the last vote on the Magoffin Park project was taken, so the council took care of several pressing items before tabling the rest of the days agenda until next week.

The last items included:

-- A 5-3 vote to approve the sale of \$58 million in bonds, more than \$50 million of which will be certificates of obligation bonds and \$46 million of which were authorized in 2006 to pay for flood and street projects. Nearly \$7.5 million will be paid for from hotel-motel occupancy taxes to pay for improvements at the convention and visitors center. City Reps. Melina Castro, Rachel Quintana and Eddie Holguin voted against the bond sales.

-- Approval by the council, sitting as the Mass Transit Department Board, of the new Smart 101 route from South El Paso to UTEP and the planned Glory Road Transit Terminal. (Download route map below)
The line was to go up Oregon Street, but opposition to the dedicated land and the loss of parking and loading zones it would mean led to negotiations that resulted in a decision to start the line up Santa Fe instead. The buses traveling a route that is planned to take just 11 minutes from one end to the other will turn east from Santa Fe onto Franklin and then north on Oregon for the rest of the route.
The specially designed buses will travel in dedicated lanes on Oregon once parking has been eliminated. City Council will take up the parking and other issues next week. [For background on the issue, read: [Council plan to kill parking, loading zones on Oregon for 'Smart 101' bus route alarms businesses, and more news](#), posted on Nov. 12, 2008; [Opposition mounts to city plans on Oregon to allow new, rapid bus line](#), posted on Nov. 14, 2008; and [Fuzzy math raises questions about planned Oregon Street rapid transit](#), posted on Nov. 20, 2008.]

-- A quick and unanimous approval of a resolution brought by the city's Border Relations Committee that expressed solidarity for Juarez and its residents who are caught in the middle of a war between drug cartels. The resolution became the focus of national attention two weeks ago when the council approved it with an amendment calling for a congressional discussion on the potential legalization of drugs as a way of reducing drug war violence and the incarceration of drug offenders. This resolution didn't include the controversial amendment.

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To reach David Crowder, write to dcrowder@epmediagroup.com or call (915) 351-0605, ext. 30.