

El Paso Water Utilities Wants To Create Impact Fees

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POSTED: 7:56 pm MDT October 1, 2008

UPDATED: 5:21 pm MDT October 2, 2008



EL PASO, Texas -- It is called an impact fee, with the goal being home owners in new developments would pay for pipes and other infrastructure connected to their homes. When a new home is built in a new development, right now all the cost for the water infrastructure is put on El Pasoans who are currently paying a monthly water bill.

Jesus Ovalle bought a home in Northeast El Paso last December.

"The way the economy is now and stuff, it's hard to buy a house. It's hard to get credit and stuff like that, I think we shouldn't have to pay for it," said Ovalle.

"A proposal to impose impact fees for new developments, to insure that that new development, to the extent that it's permitted by state law, pays for itself," said city Rep. Steve Ortega, talking about the impact fee.

El Paso Water Utilities said that could mitigate future rate increases. Ortega feels like the impact fee is appropriate.

"New growth needs to pay for new growth. We shouldn't be shifting the cost of new growth onto the existing tax payer," Ortega told KFOX.

City Rep. Eddie Holguin contends that the extra fee, estimated to be at least \$1,500, will keep people from getting financing for a new home.

"That will disqualify thousands of people from achieving the American Dream and contributing to the economy," said Holguin.

"I think they should come up with something else, I mean we are already paying a lot for, people are paying a lot for mortgages and stuff like that, we can barely afford the payments for the house," said Ovalle.

El Paso Water Utilities said they have tried this once before in 1996, but City Council did not approve of it. The plan will go before a Legislative Review Committee on Thursday.

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