

June 7, 2006

TO: Mayor John Cook  
& City Representatives:  
Ann Morgan Lilly, Dist. 1  
Susie Byrd, Dist. 2  
J. Alexandro Lozano, Dist. 3  
Melina Castro, Dist. 4  
Presi Ortega, Dist. 5  
Eddie Holguín, Jr., Dist. 6  
Steve Ortega, Dist. 7  
Beto O'Rourke, Dist. 8

RE:

VALUES FROM THE CATHOLIC CHURCH THAT THE DIOCESE OF EL PASO UPHOLDS; DEEP CONCERNS THAT WE AND OUR LOCAL PARISH, SACRED HEART, HAVE and GENERAL COMMENTS with regards to the Downtown Re-Development plan presented by the Paso del Norte Group.

1. The Catholic Church, Christian tradition (not to exclude other faiths) building on the Jewish Scriptures and the Gospel upholds the value of welcoming the immigrant. The Gospel of St. Matthew reminds us that Jesus himself is welcomed in the person of the immigrant, "...for I was a stranger and you welcomed me." (Matt. 25: 35). With a great deal of national attention focused on immigration, the Church insists that we will be judged as to whether we followed Judaeo-Christian, biblical values or others that are in conflict with it. The Catholic Church has initiated a national campaign, "Justice for Immigrants", which the Diocese of El Paso will officially launch on Saturday, June 10<sup>th</sup> with a pilgrimage to the top of Mount Cristo Rey.
2. The *Segundo Barrio* in South El Paso has traditionally been the welcoming land for the poor immigrant from Mexico. In particular, Sacred Heart Church was founded in 1893 by Jesuit Father Carlos Pinto, along with Sacred Heart School (1892) for the purpose of serving the Mexican population of this area, who were predominantly of low income. Sacred Heart has consistently served the poor and the immigrant, generation after generation, and continues to do so today. It is predictable, given the growing economic disparity between Mexico and the U.S., that poor persons from Mexico, drastically seeking work to support their families, will continue to come to El Paso and settle in the *Segundo Barrio*. Many of those immigrants have chosen to live in the *Segundo Barrio* for decades because they have found comfort and formed cherished relationships in this vibrant neighborhood.
3. Downtown and South El Paso do need re-vitalization. The outcome of re-vitalization should take into account the hopes, dreams and desires of all affected, including the poor. There is a rich heritage, a unique culture, a true sense of neighborhood and historical architecture in the affected area. The plan should consider all of these as valuable realities and not focus only on economic benefit and tax revenue. It was disturbing to learn that the present plan was conceived without any consultation with residents, area businesses, key institutions. We are in disagreement with a re-vitalization program that was planned without public backing or the input from those affected. A planning process typically places consultation and input prior to drawing-up a plan; just the reverse of the Paso del Norte Group's way of proceeding.

4. In the present plan/drawing for re-vitalization, proposed by the Paso del Norte Group, four Catholic Institutions are eliminated from their present location, namely, Sacred Heart Church's gymnasium and classroom facilities (S. Mesa and Fr. Rahm St.); Villa Maria, which is presently being equipped as a home for poor women in crisis (S. Oregon and 8<sup>th</sup> St.); Las Alas Prayer/Christian Community, founded by Jesuit Father Richard Thomas, (Paisano between Kansas and Campbell); Annunciation House, guest house for immigrants (San Antonio and St. Vrain), and serving approximately 80,000 guests since its founding. These institutions focus on service and ministry of various types to the poor and the immigrant. What population does the plan envision residing in the affected area if it considers these institutions dispensable? We uphold that these institutions are much needed in the South El Paso community.
5. In the midst of the anti-immigrant sentiment by many in the U.S., the residents of South El Paso face yet another obstacle in the re-vitalization plan proposed by Paso del Norte Group. This plan, if implemented, would displace numerous area residents, as well as small businesses. The fact that the proposed low-cost housing will be subsidized only for four years predictably will force those lower income residents to move to another area of the city after the subsidy is over. Where? The poor from Mexico typically prefer closeness to downtown and to *Ciudad Juárez*. The inevitable result of the present plan will be less affordable housing opportunities for the poor, especially the poor immigrant in the South El Paso area. We reject a plan that diminishes the number of low-cost housing units.
6. The plan of paying an owner "market value" as opposed to a real "replacement value" will leave those affected in a very difficult situation if they plan to continue their business elsewhere and were forced out of their present location by eminent domain. The same with housing. Those who own a home will be paid very little according to "market value". What are they to do if they – who are typically poor and many elderly – need to buy a new home elsewhere? Compensation based on market value for an area such as the *Segundo Barrio* will be unjust in many cases.
7. The proposed use of "eminent domain" to force downtown, *Segundo Barrio* and Union Plaza land owners into a Real Estate Investment Trust (REIT), managed by a select, few individuals, negates the possibility of cooperation by a present property owner (and the tenant), from improving their property, if the free, legal choice of the owner is in conflict with the plan and its goals. If a landlord desires to cooperate and improve the building for low-cost housing, it appears that he/she would have to sell if his/her building is not in-line with the present plan. Eminent Domain should only be used for the "common good" of the community as in the building of a public hospital, fire station, public school, etc.; not for exclusively personal or corporate profit.
8. We have very serious concerns with the Real Estate Investment Trust approach to re-vitalization. A Real Estate Investment Trust is a business entity which exists to maximize cash flow of the real property in the Trust in order to maximize profit. Decisions by a REIT are made by the Officers of the Trust and are made to accomplish its maximization-of-profit goal for the benefit of the investors in the Trust. Therefore, a REIT appears to not be accountable to the community or to the City government, other than to abide by applicable laws and regulations.

The City government, on the other hand, is accountable to the community and its citizens. Moreover, decisions by the City government are based on considerations of different factors such as: quality of life; respect for culture; historic preservation; betterment opportunities for its citizens, such as low-

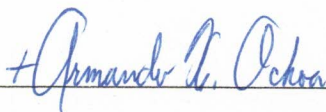
income housing, job training, small-business opportunities and growth, development of industries, maintaining infrastructure, etc.

9. Taking advantage of the immigrant occurs in our South El Paso community, in particular by apartment owners who maintain their rental property in substandard conditions. This unjust practice of renting inadequate housing has gone on for years without any effective intervention by City Inspectors or Officials. Any plan for a South El Paso re-vitalization must NOT diminish the number of units of affordable, low-income housing. Instead, if the *Segundo Barrio* and the Union Plaza District are to be included in a downtown re-development plan, their residential character MUST be maintained and improvement of the quality of housing and an increase in the number of units of available, affordable housing for low-income persons in those two residential communities should be adopted AS A GOAL OF THE RE-DEVELOPMENT PLAN. The City should also adopt an effective, aggressive plan that demands apartment owners to maintain their units according to acceptable standards and codes.

The City presently has the power and mechanism to force negligent landlords to improve sub-standard housing, i.e., by the "Municipal Regulation of Housing and Other Structures, Loc. Gov't 214.003; Receiver."

Landlords should relate to their tenants in a way that is just and non-threatening.

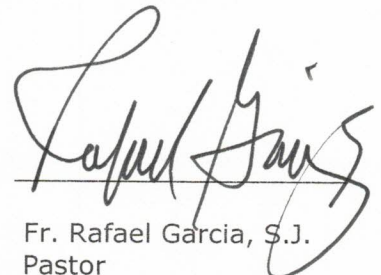
10. Also, the Paso del Norte Group's membership of 300 plus, was kept secret until very recently. The list of members was available from the City through the Freedom of Information Act. Why were the names of the members withheld from public knowledge if the Paso del Norte Group's plan received public funding?
11. If maximizing profit and land value is the driving force of the plan, there is a threat of major chain stores, i.e., Walmart or Home Depot being able to purchase land from the REIT and moving into the *Segundo Barrio*-downtown area. Although the residents of the *Segundo Barrio* may benefit from Walmart's lower prices, we are aware of the certain elimination of area small businesses -- many existing for many years and part of the tradition of the neighborhood -- attempting to compete. We oppose the establishment of these mega-stores which would also destroy the unique cultural and historical character of the *Segundo Barrio* as well as small businesses.
12. As Church, we want to stand in solidarity with the poor, with the immigrant, with the marginalized, with the rejected one. There is a long history of neglect and discrimination with regards to the *Segundo Barrio*. We are not opposed to progress, economic development, improvement and construction of buildings. We are opposed to any plan that disregards and displaces the poor, that ignores the plight of the immigrant, that divides the community, that perpetuates injustice and inadequate housing, that diminishes low-cost housing; one that seeks to enrich a select group.



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