



Newsletter of Horizon Communities Improvement Association, Horizon City, Texas

Spring 2002

Update

NEWSLETTER

The only way forward

We had planned to start on our lot assembly initiative with this newsletter, and extend the changes to covenants program to other estates. But we have not yet made sufficient progress in Horizon View Estates to justify going to the next step.

So we are doing two things in this newsletter, catching up on other major news, and urging our Horizon View members to get their forms in. I cannot overemphasize the importance of this initiative. If we cannot make it work now, there is a very real risk of this land being frozen from development indefinitely.



In October last year I met with the Texas Attorney-General's Department in Austin to discuss the impact of House Bill 1001, and our various options. I received a very sympathetic hearing, but they seemed to think the best we could do was press on with our current strategy. It may eventually be possible to persuade our politicians to change the law, but they too will need to be convinced that everything else has been tried.

That being said, things have never looked better for Horizon. Despite the economic downturn, 2001 was another record year for growth. More of the same is planned and the potential is even greater. This growth however is not going to benefit our members with undeveloped lots, if they cannot sell their land.

*Vince Murphy
General Manager*

Horizon View members urged to return their forms

The response to our changes to covenants initiative in Horizon View Estates has been overwhelmingly positive. Forms continue to flow in steadily, but not fast enough. Some units have already reached the half-way point. But it will take another 16 months to get the required majorities in all units, at the present rate of response. We have less than half that time left.

Members in these units have everything to gain and nothing to lose. On the advice we have now, land without services can never be sold as long as there are residential covenants on it, whatever the size of the parcels. Lot assembly on its own won't be enough. And residential use is presently permitted on all our members' lots, even those which also permit commercial.

If HCIA cannot mobilize the necessary majorities now, it is unlikely anyone else ever will. Members cannot afford to wait

until demand catches up. For the same reason, the changes we make now need to give greater flexibility, so further variations may be made as they are needed.

No cost to members is involved. HCIA will be paying the necessary registration fees. Some members will be able to realize immediate reductions in HCIA assessments. HCIA has nothing to gain from this exercise in terms of direct benefits. Quite the opposite. All the

benefits to the Association will be long term and indirect. Those members who fail to respond will simply be disappointing their fellow lot holders.

Those units which reach the necessary majority first will be first in line for lot assembly, and the first to get their land onto the market.

And if the printed form seems complicated, our staff can walk you through it in a two minute, toll free phone call.

Units vote for change

We have our first success in the changes to covenants program! Two of our smaller units have achieved the necessary majorities. The HCIA Board will act immediately to implement the appropriate changes. A single commercial lot owner now stands to see their assessments reduced from \$461 to \$14 a year.

2001 Annual Meeting highlights

Our Annual Meeting in October heard addresses from the new Mayor of the Town of Horizon City, Patricia Randleel, the General Manager of the El Paso County Water Authority (EPCWA), Robert Diaz de Leon, and a local entrepreneur, Robert Navarro. Mayor Pat Randleel

outlined the Council's plans for the coming term. Mr Diaz de Leon advised on the impact of the reverse osmosis plan and the EPCWA's future plans. Mr Navarro spoke of his 10 year campaign to bring a major

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Horizon experiences record growth

End of year figures released by the Town of Horizon City confirm this was a year of record growth. There were 278 new dwellings approved in the incorporated area of Horizon City in 2001. This represents a 40% increase on the previous year. Growth has already spilled beyond the boundaries of the incorporated area. Increasingly more development will take place outside these boundaries. The local water authority recorded 400 new active water connections for the wider Horizon area in 2001. This represents an increase of more than 10% in the total

number of households.

At this rate we could expect our population to double every 8 years, but we believe that our growth rate will actually accelerate. On the above figures we could expect about 425 new buildings in 2002, but our two major developers alone have 600 new dwellings planned. The roads and subdivisions are under construction and there are already builders lined up for the new lots.

The boost to growth is due mainly to builders moving to Horizon from east El Paso. The logic is simple. There is no new land for subdivision within the eastern El Paso City limits, and the City is unwilling to annex more land on its east side. Horizon on the other hand has unlimited land for subdivision, and good water. We have the reverse osmosis plant to thank for that. Horizon also compares favorably with competing growth centers in the County in terms of general amenity.

The result. Development is jumping the three mile gap between El Paso City and the incorporated area of Horizon City. Some of this will fill in later, but the center of gravity has definitely shifted.

One of the implications of this growth

is the need for services to keep up. Fortunately the school districts have been planning for high growth and are on target to meet projected demand. There is an apparent need however for new good quality commercial and retail accommodation. HCIA is working with local developers to help make this happen.



Our second child care facility is now open for business and recorded 50 enrollments in its first month.



The main sewer line which runs all the way from the sewage treatment plant to Eastlake Drive is being replaced and upgraded. The new line will be "oversized" to accommodate a major increase in demand.



New, affordable subdivisions are attracting people to the Horizon area. In addition to East Lake there are two other neighborhoods currently under construction.

Clint Independent School District moves forward

We are pleased to report that the Clint Independent School District's \$67 million bond election was approved in October. Approximately one third of that will be invested in the Horizon area. This money will be for more than just schools. Most significantly, Clint will be locating its new central warehouse facility in the Horizon industrial area, and will be constructing its first centralized administration facility on Horizon Boulevard. Already one of El Paso's major employers, we believe Clint will become the largest single employer and investor in the Horizon area.

The new Horizon Middle School is rising above the surrounding desert and is



The new Horizon Middle School is scheduled for completion at the end of March 2002. At about 112,000 sq. ft., it will house up to 1,200 seventh, eighth and ninth graders when it opens in August. Clint ISD projects 850 students on the first day of class.

due for completion in March. Eventually the project will incorporate a major sports facility and a stadium with a 12,000 seat capacity. Land next to the new Frank

Macias Elementary School is to become the site of a multi-million dollar Head Start (pre-school) facility for the Region 19 Education Service Center.

'Free' land offered to developers for right project

As part of the various legal settlements with the Knapp entities, HCIA received several large parcels of land in the Horizon City Estates area. This was Horizon Corporation land which was never subdivided at the time the Corporation ceased its sales activities. These "unplatted" parcels range in size from 60 to 350 acres.

The HCIA Board of Directors has now adopted a policy with respect to these seven sites. The land will be made available, at essentially no cost, to any developer willing to build a major tourist facility. This will include hotel and resort developments, retirement communities, educational and cultural facilities, and regional scale family recreation and entertainment facilities.

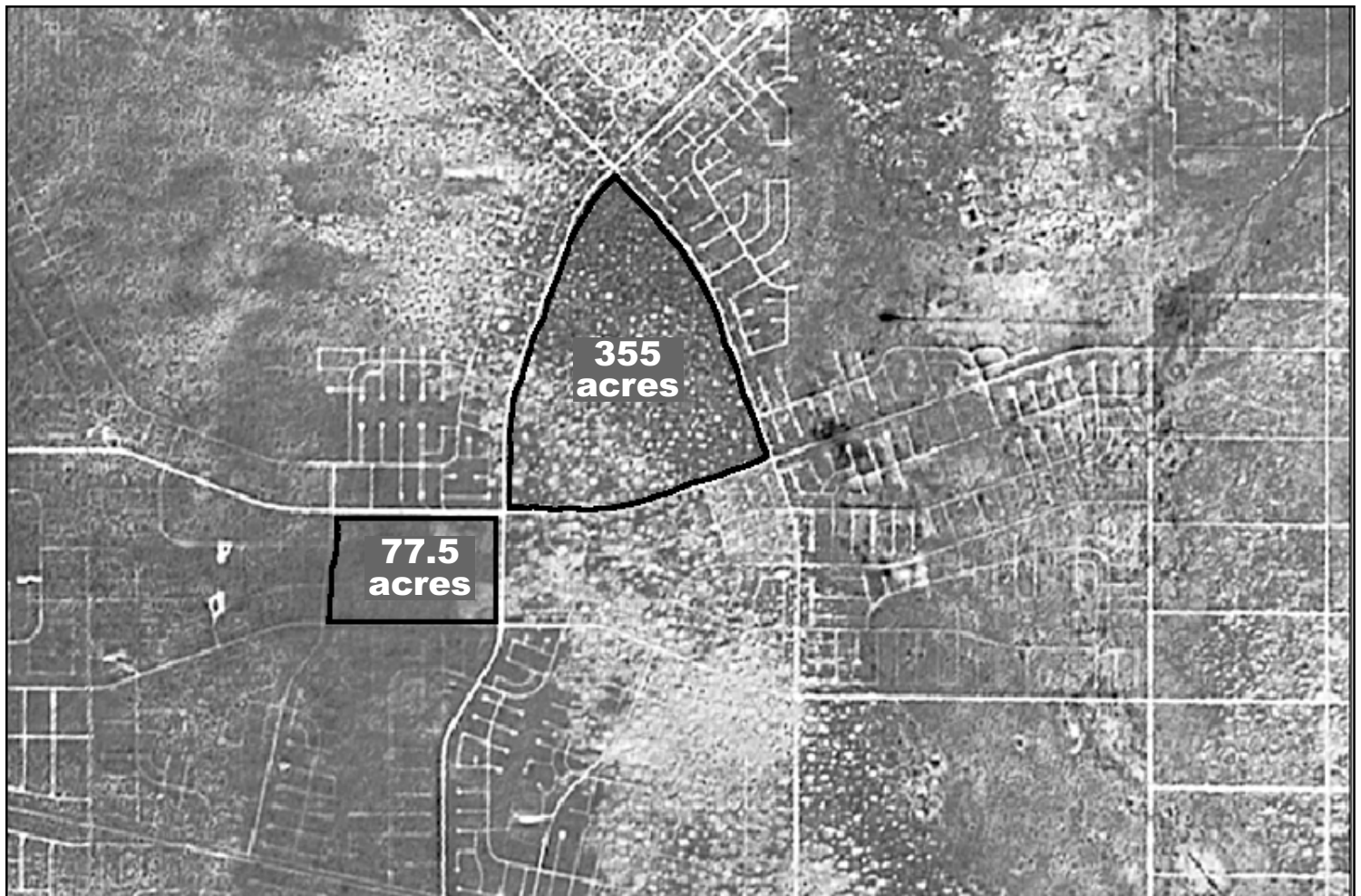
On their part, the developers would be expected to provide all the necessary infrastructure for roads, parking, water sup-

ply, sewerage, power and telephone. Covenants would require the development to happen within a specified time period, and there would be an absolute prohibition on subdivision of the land for residential lots. On its part, HCIA would work with the County to provide major road access to the sites from Loop 375 and east El Paso. Such access would boost the demand for land in the whole Horizon City Estates area.

We are convinced that the El Paso region has a serious shortage of such facilities. Information provided by the El Paso Convention and Visitors Bureau indicates a huge untapped tourist potential. We believe it will only take one such development to draw in others. Although our sites are all located in the Horizon City Estates, it would not take long for the benefits to spread to Mountain Shadow Estates.

The whole thrust of our strategy is to create a demand for our surrounding members' land, and to add value to that land. To date we have only put out feelers through contacts we have, but there is already interest there. One of the first questions asked is whether the immediately surrounding land would be available for expansion, or for purchase as a protective buffer zone. Beyond that, land would be sought after as residential land.

It may take us up to three years to find the right developer, and there is no guarantee that it will ever happen. But the potential benefits are so great, it is worth throwing at least part of our promotional effort in that direction. Residential growth in our area is now self-generating, and there is little prospect of it faltering from here on. The time has come to set our sights higher.



This satellite image shows two of the sites being offered to developers for tourist-oriented projects.

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Upgraded computer system to enhance accounting

If all goes well with the upgrading of our antiquated computer system, we will be staggering our annual billing this year. We will spread the billing over three months rather than doing it all at once in April. This is mainly to spread our administrative workload, but our covenants also require us to send out our assessment notices "as soon as may be practicable at the beginning of each year". Payments will still not be due until May 1, so there is no obligation to pay earlier than you otherwise would.

Please keep your assessment notice handy at all times, even after you have sent in your payment. It sets out important reference details for your property. These are necessary for the present

changes to covenants exercise as well as for day-to-day inquiries. The last printed word on the page is also your password to the "members only" pages on our website. For those members who have access to the Internet, there is more information on the website than we could ever fit in a newsletter, and it is now being updated and expanded on a regular basis.

Delinquent members take note

This is the last regular newsletter we will be sending to members who are in arrears on their annual assessments. It is unfair to expect our active members to continue subsidizing our delinquent members.

Non-financial members should be aware

that they would also be unable to participate in lot assembly. Otherwise the new consolidated parcels would be burdened by their unpaid taxes and assessments. The titles to the new consolidated lots will need to be free and clear of all encumbrances.

When the time comes, HCIA will exercise its liens to bring any delinquent properties to the party, if necessary. That way our active members will never be disadvantaged. Indeed, our active participating members would get the benefit of any appreciation in the value of the delinquent properties. HCIA is a non-profit organization and would be looking to recover its costs only. Anything over and over that paid by the developer would be profit to the remaining landowners.

Shirley Ray retires



Shirley Ray

Our Members Representative, Shirley Ray, retired in December after 11 years of service. Shirley will be missed, not just by HCIA, but by the thousands of members whom she helped or spoke to over the years.

Meeting

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theme park to El Paso, and the potential of the Horizon area for such a facility.

Once again we had a high member participation rate in terms of votes cast and proxies for the meeting. Unfortunately the mail out of ballots was disrupted by the events of September 11 and their aftermath. This meant many members received their ballots late. Fortunately there would have been no difference to the results, but this year we will be sending out our ballots a lot

earlier. We will give the maximum notice permitted by our by-laws. The threat of terrorism also seems to have affected personal attendances at the meeting.

Chris Bustillos was re-elected as a Director of HCIA at the October meeting. We also had Mike Ramos fill a casual vacancy created by the death of Bill Newkirk. Mike has a marketing background and presently works in the alternative energy industry. He has several years of dedicated community service to his name, and HCIA will benefit from his standing in the El Paso community.