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FISCAL IMPACT REPORT

SPONSOR Maestas/Lechuga-Tena **ORIGINAL DATE** 2/4/16
LAST UPDATED 2/9/16 **HM** 63
SHORT TITLE ABQ Downtown Multipurpose Arena **SB** _____
ANALYST Clark

REVENUE (dollars in thousands)

Estimated Revenue					Recurring or Nonrecurring	Fund Affected
FY16	FY17	FY18	FY19	FY20		
	No Fiscal Impact					

Parenthesis () indicate revenue decreases

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)

New Mexico State Fair

SUMMARY

Synopsis of Bill

House Memorial 63 requests the possible economic benefits of building a multipurpose arena in downtown Albuquerque be recognized and explored and copies of this memorial be transmitted to the mayor of the city of Albuquerque, the chairman of the Bernalillo County Commission and the president of the Greater Albuquerque Chamber of Commerce.

FISCAL IMPLICATIONS

There is no fiscal impact created by this memorial. However, after the requested exploration of the idea of a multipurpose arena, a follow-up formal feasibility study would require funding from either a state or local source.

SIGNIFICANT ISSUES

The memorial notes the Albuquerque city government has taken recent steps to reinvigorate Albuquerque's downtown corridor with a multifaceted plan that focuses on building, renovating, and reimagining many areas of downtown; the inclusion of a multipurpose arena as a sports and

entertainment venue would greatly enhance the reinvigoration of Albuquerque's downtown corridor and provide positive economic benefits; and migration and growth patterns within the metropolitan area make downtown Albuquerque an excellent location for a new multipurpose arena as it provides accessibility to residents of the entire metropolitan area and is at the intersection of primary north-south and east-west interstates.

The memorial does not specify what entities are requested to explore the idea of this multipurpose arena but presumably leaves the task to the entities to which the memorial will be sent.

Although the memorial specifically references the need and use for a multipurpose arena in downtown Albuquerque, the State Fair noted the city currently has a multipurpose arena -- Tingley Coliseum at the fairgrounds. The State Fair provided the following additional analysis.

The memorial makes reference to locations at which the Duke City Gladiators football team plays out of state, but omits that the Gladiators have an existing facility with good infrastructure (at which they played their 2015 season and are preparing to play the 2016 season) within Albuquerque at Tingley Coliseum. Additionally, it is unclear whether there is existing vacant property in downtown Albuquerque with a large enough footprint to house an arena of any significant size.

While the New Mexico State Fair Commission and management agree that multipurpose arenas sustain the local economy, and cities benefit from the year-round economic impact, a state mandated assessment should first consider the existing opportunities with its current arena located on the New Mexico State Fairgrounds, which benefits not just the city of Albuquerque but the entire state of New Mexico. If market research supports a new, larger arena, that infrastructure exists currently at the fairgrounds. The New Mexico State Fair Commission and management are already pursuing a study to include market research as well as potential funding options, relating to the feasibility of a new arena within the fairgrounds property.