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## FISCAL IMPACT REPORT

ORIGINAL DATE 1-30-06

SPONSOR Wirth LAST UPDATED \_\_\_\_\_ HJR 3

SHORT TITLE Santa Fe Land Lease SB \_\_\_\_\_

ANALYST Segura

### APPROPRIATION (dollars in thousands)

| Appropriation |      | Recurring<br>or Non-Rec | Fund<br>Affected |
|---------------|------|-------------------------|------------------|
| FY06          | FY07 |                         |                  |
|               | N/A  |                         |                  |
|               |      |                         |                  |

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Department of Cultural Affairs (DCA)

### SUMMARY

#### Synopsis of Bill

House Joint Resolution authorizes the DCA to lease property at 1050 Old Pecos Trail in Santa Fe, New Mexico.

The resolution state's that the lease period exceed 25 years to cultural organizations including the Santa Fe Children's Museum, Center for Contemporary Arts, and the Santa Fe Performing Arts School and Company.

### FISCAL IMPLICATIONS

House Resolution 3 does not contain an appropriation.

### SIGNIFICANT ISSUES

On January 13,2006, the State Armory Board entered into an agreement with Cultural Affairs to lease the property of approximately seven and one-half acres for a period of 99 years at an annual rate of one dollar per year. Cultural Affairs will assist the Armory Board in developing and managing the entire property.

**TECHNICAL ISSUES**

According to DCA, the Legislature must ratify and approve any lease of state-owned property that is more than 25 years in duration and is for a consideration of \$100,000 or more.

**OTHER SUBSTANTIVE ISSUES**

According to DCA, as the department assumes the responsibility of these long-term leases with cultural organizations, the Armory Board will be relieved to focus more closely on its responsibility to working military armories. In addition, this arrangement allows DCA an opportunity to directly serve certain high-profile cultural organizations in Santa Fe and to indirectly support the men and women of the National Guard.

RS/nt