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## FISCAL IMPACT REPORT

**SPONSOR** HTRC **ORIGINAL DATE** 02/04/09  
**LAST UPDATED** 2/19/09 **HB** 360/HTRCS  
**SHORT TITLE** Historic Districts & Capital Outlay **SB** \_\_\_\_\_  
**ANALYST** Kehoe

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
NFI	NFI	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

General Services Department, Property Control Division (PCD)

Department of Cultural Affairs (DCA)

Taxation and Revenue Department (TRD)

### SUMMARY

#### Synopsis of HTRC Bill

House Taxation and Revenue Committee Substitute for House Bill360, proposes a new section of the Historic District and Land Mark Act.

### FISCAL IMPLICATIONS

According to PCD, complying with local historic design ordinances could result in increased cost for state capital outlay projects. However, the bill does mitigate cost increases by allowing for compliance “within reasonable budgetary constraints” and by “reserving essential functionality.”

### SIGNIFICANT ISSUES

The proposed new section of the bill establishes a procedure by which the state, municipalities, and counties will collaborate in good faith and work together to preserve and protect the historic district of New Mexico. The proposed procedure as it pertains to the Historic District and Landmark Act provides as follows:

- Ordinances enacted by a municipality or county shall apply to a state capital project if the ordinances contain special provisions and standards applicable to state buildings, including provisions regarding the design, construction, alteration or demolition of the exterior features of state buildings.
- If requested by resolution of the governing body of a municipality or county, the staff of the Capitol Buildings Planning Commission and staff of the municipality or county must work jointly to develop provisions and standards as required by the new section in a manner that is harmonious and generally compatible with the ordinances of the municipal or county ordinance.
- Requires that the applicable state agency, prior to commencing the design phase of a capital outlay project, consult with the municipality or county as to the design standards, costs, operation, and function of the project, provided that the municipality or county has an agency or other entity review projects within the area zoned as a historic district or landmark.
- Requires the applicable state agency to work collaboratively with the municipality or county or its review agency on the design standards, considering reasonable cost and preserving essential functionality.
- The applicable agency must also make a reasonable effort to obtain input from identifiable community groups involved in historic preservation prior to commencing design.
- Following the design phase and before soliciting a bid or a proposal for design-build or lease-purchase for a project, the applicable agency must transmit its plans for review and comment to the municipality or county or its review agency and provide notice to any identifiable community groups involved in the historic preservation in the municipality or county of a public meeting.
- Within sixty days following the public meeting, the municipality, county or its review agency or other entity, any identifiable historic preservation community group, and any other interested party shall make recommendations and comments in writing to the state agency.
- The agency must consult with the municipality or county or its review agency or other entity to resolve and issues that may be raised.
- If, following the sixty-day period, unresolved issues remain, the municipality or county may within five days after the end of the period, notify the state agency that the issues remain unresolved and should be finally determined by a state-local government historic review board consisting of eight members comprised as follows:
  1. one member appointed by the Capitol Buildings Planning Commission (CBPC);
  2. one member appointed by the cultural properties review committee, the state historic preservation officer or his/her designee;
  3. one member appointed by the agency or entity that reviews projects within the area zoned as a historic district or landmark (if the municipality or county has no such agency or entity, the member shall be appointed by the governing body of the municipality or county);
  4. one member appointed by the agency or entity of the municipality or county that is concerned with historic preservation;
  5. Three public members who have a demonstrated interest in historic preservation as follows: one appointed by the Secretary of the General Services Department, one appointed by the governing body of the municipality or county, and one

public member appointed by the other two public members.

- Staff of the CBPC is required to serve as the staff of the state-local government historic review board, the state-local government historic review board, at public meetings, shall consider each of the unresolved issues and within 20 days, for each issue, make a final decision that is harmonious and generally compatible with the municipal or county ordinance.
- Requires that appeals be taken to the district court.
- Provides that the state cannot take any irrevocable action on the project until the procedures established within this bill have been met.

### **OTHER SUBSTANTIVE ISSUES**

According to the Cultural Affairs Department, as of 2009, 10 municipalities or counties have enacted local ordinances under the Historic District and Landmark Act. The ordinances are applicable to specific geographically designated historic sites or districts.

LMK/mt