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FISCAL IMPACT REPORT

ORIGINAL DATE 2/26/09

SPONSOR Chavez, Eleanor LAST UPDATED _____ HB 708

SHORT TITLE Albuquerque West Central Economic Development SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$150.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)

No Responses Received From

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 708 appropriates \$75.0 thousand from the general fund to the Department of Finance and Administration, Local Government Division, to promote the economic development and revitalization of the west Central corridor by contracting with a community organization for services and to facilitate communication and collaboration between ten neighborhood associations and two merchant associations in Albuquerque.

FISCAL IMPLICATIONS

The appropriation of \$150.0 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2010 shall revert to the general fund.

According to the February 2009 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$575 million less than the FY09 appropriations before the 2009 solvency reductions. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

SIGNIFICANT ISSUES

The EDD notes:

The City of Albuquerque, merchant and neighborhood associations, and community groups have attempted for several years to draft a plan for West Central Corridor revitalization. Barriers have included a lack of consensus on the organization to lead the efforts and the types of revitalization appropriate for the area.

House Bill 708 doesn't specify the characteristics of the community organization that will enter into a contractual agreement with the Local Government Division. No outcomes resulting from the funding are specified.

GH/mc