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FISCAL IMPACT REPORT

SPONSOR Campos **ORIGINAL DATE** 02/17/14
LAST UPDATED _____ **HB** _____

SHORT TITLE Las Vegas Property Transfer **SB** SJR 24

ANALYST Hanika Ortiz

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		(\$89.0)	(\$89.0)	(\$178.2)	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From:

General Services Department (GSD)

SUMMARY

Synopsis of Bill

Senate Joint Resolution 24 proposes the transfer of state-owned real property at 301 Mills Avenue, Las Vegas, New Mexico, back to the City of Las Vegas, New Mexico.

FISCAL IMPLICATIONS

According to GSD, the building and real property located at 301 Mills Avenue in Las Vegas is temporarily housing the local office of the Department of Vocational Rehabilitation. This occupation is only for a short time until another state building in the area is ready for their use.

The GSD is making plans for other state agencies in leased space in Las Vegas to move into the building at 301 Mills Avenue. At an average cost of \$17.51 per square feet for leases in Las Vegas, the annual potential cost savings to the State for use of this building is \$89 thousand.

If the sale or transfer of the building and real property was supported by all parties, the GSD would reduce operational expenses related to building maintenance and security.

SIGNIFICANT ISSUES

The bill resolves the following:

- Section 13-6-2 NMSA 1978 provides that a state agency may sell or dispose of real property to a local public body;
- The City of Las Vegas, New Mexico initially donated the property at 301 Mills Avenue, Las Vegas, New Mexico, to the state for the purpose of housing a state agency;
- The property control division of the GSD owns the real property in question;
- The State built new offices and relocated the occupying state agency to another location;
- The property is not needed by the State and should be returned to the City of Las Vegas;
- The City of Las Vegas requires the property as a location for governmental offices;
- Section 13-6-3 NMSA 1978 provides that any sale, trade or lease of property belonging to a state agency for \$100 thousand or more be subject to approval of the legislature; and
- The property has a value in excess of \$100 thousand.

PERFORMANCE IMPLICATIONS

The bill resolves that the transfer of the property be ratified and approved by the Legislature; that the authorization be contingent upon agreement by the parties; and that the property not be sold or transferred until it has been reviewed by the Capitol Buildings Planning Commission.

OTHER SUBSTANTIVE ISSUES

The GSD notes that the department is working on a strategic plan to get more state agencies out of leased space and into state-owned space and the building at 301 Mills is part of that plan.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The building and real property in question will continue to be owned and managed by GSD.

AHO/jl