



Capitol Buildings Planning Commission

2007

ANNUAL REPORT

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**CAPITOL BUILDINGS
PLANNING COMMISSION**

**2007
ANNUAL REPORT**

CAPITOL BUILDINGS PLANNING COMMISSION 2007 ANNUAL REPORT

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**CAPITOL BUILDINGS PLANNING COMMISSION
2007 ANNUAL REPORT — SUMMARY**

JANUARY 2008

CAPITOL BUILDINGS PLANNING COMMISSION

2007 ANNUAL REPORT - SUMMARY

Introduction

Background

Created by the legislature in 1997 to study and plan for long-range facility needs of state government within Santa Fe, the capitol buildings planning commission's (CBPC) statutory responsibility was to review prior long-range facility needs assessments and develop an initial master plan for state facilities in Santa Fe. The commission was also required to continue updating the master plan and report annually to the legislature.

In 1999, the commission endorsed and the legislature passed a bill to fund a master plan and a repair-and-replacement study. The initial master plan for state facilities in Santa Fe was completed in 2000 and implementation was begun in 2001-2002.

During the initial process, a long-range facilities master plan for all state agencies in Santa Fe was developed. The plan was divided into sub-master plans for five main campuses identified at the time. Additionally, the initial study validated the existing long-range space needs plan and developed an inventory and evaluation of existing state-owned building systems and a plan for long-range repair, renovation and replacement with an anticipated life-cycle rating schedule for existing state-owned buildings. The plan developed alternatives; strategies; site master plans identifying capital needs, costs and ongoing facility management requirements; and potential funding mechanisms to address one of the major considerations emerging from the initial master plan: to reduce the amount of space that the state leases.

In 2002, the statute authorizing the CBPC was amended, extending the commission's authority to include the Albuquerque area in the overall master plan. The initial step in preparing a master plan for state government facilities in Albuquerque was undertaken in 2003 by ARC-Dekker Perich through a data-gathering inventory of the facilities in greater metropolitan Albuquerque, which included Valencia county. In 2004, the CBPC requested an update of the original Santa Fe master plan, and at that time authorized a full master plan for Albuquerque. **Senate Bill 332 (Laws 2004, Chapter 123)** appropriated \$250,000 to provide funding for the master plan.

Senate Bill 182 (Laws 2001, Chapter 166) authorized the property control division (PCD) of the general services department (GSD) to acquire buildings and land in Santa Fe county for use as state office buildings as recommended in the master plan. At that time, the New Mexico finance authority (NMFA) was authorized to issue up to \$75 million in revenue bonds for the purchase of the properties. Included in that authorization were the PERA building, the west capitol campus, the NEA building and a property on Jaguar road near the department of public safety (DPS) and initially considered to be part of a public safety campus. The 2001 legislation

provided for the purchase of land adjacent to the department of transportation (DOT) district 5 office on Cerrillos road. The 2004 legislature amended **Laws 2001, Chapter 166** to expand the Jaguar drive definition. The amendments increased the available property that could be considered for purchase and required that necessary infrastructure be in place. The purchase of the property adjacent to the public safety campus in the Valdes industrial park was approved by the state board of finance on January 10, 2006.

Senate Bill 214 (Laws 2001, Chapter 199) created a financing source for state office building acquisitions in the State Office Building Acquisition Bonding Act. This act authorized the NMFA to sell state office building tax revenue bonds to acquire the state office buildings authorized in Senate Bill 182 and provided up to \$500,000 per month of a state gross receipts tax intercept for this purpose. **Senate Bill 1061 (Laws 2007, Chapter 64)** increased the NMFA authority to issue up to \$100 million in revenue bonds at any one time. This bill also increased the state gross receipts tax intercept up to \$530,000 per month. The NMFA issued the first series of the state building acquisition revenue bonds, totaling approximately \$34.7 million, on December 13, 2001 for construction of an office building on the west capitol campus and to purchase the NEA building. This revenue source has funded several additional projects, most recently including the scientific laboratories under construction in Albuquerque and the capitol parking garage at the main capitol campus. In the 2008 legislative session, the CBPC will request an increase in the gross receipts tax intercept up to \$590,000 per month to support construction of the additional 200 necessary parking spaces for the parking garage on the main capitol campus.

During the 2005 interim, the master plan consultants completed questionnaires and interviews for most state departments and agencies located in the Santa Fe and Albuquerque areas, preparatory to incorporating the metropolitan area of Albuquerque within the state master plan. Preliminary findings were offered to the CBPC for consideration. In 2006, the master planners were directed by the CBPC to include the DOT and the cultural affairs department (CAD) data into the master plan. Some initial data have been collected and incorporated.

The creation of several state campuses in the Albuquerque metropolitan area has been proposed, along with the possibility of having a super block site in Albuquerque where the current youth development and diagnostic center (YDDC) facility is located. In 2006, the CBPC directed further evaluation of a super block site in Albuquerque and certain state land holdings in Los Lunas as possible locations for development of state campuses. Additionally, the CBPC requested assessments of other owned and leased sites in Albuquerque.

A super complex for health and human services has also been considered. The initial proposal for a super complex in Santa Fe recommended consolidation of a number of human services agencies, operations and functions to create "one-stop shopping" for services and to realize economic efficiencies through economies of scale and asset sharing. In 2007, a site assessment was conducted and the complex became known as the health and human services complex (HHS).

Since the voters had approved Constitutional Amendment Number 2 in the 2006 general election, authorizing the state to enter into lease-purchase agreements, the CBPC endorsed legislation for this type of agreement for state buildings, which became law in 2007 (**Laws 2007, Chapter 184**).

Also in 2007, legislation was enacted to expand the CBPC authority to include the Las Cruces metropolitan area and to include that a review of state properties be done throughout the state in order to develop an overall master plan. Funds were appropriated for FY2007 through FY2009 to continue master planning efforts, including master planning for Las Cruces and a review of state properties throughout New Mexico for the development of an overall statewide master plan.

Membership

The commission is composed of 11 members, consisting of four members of the legislature, two from each house, appointed by the New Mexico legislative council; the secretary of general services; the state treasurer; the secretary of transportation; the secretary of cultural affairs; the secretary of finance and administration; the commissioner of public lands; and the chair of the supreme court building commission or their respective designees. Representative Ben Lujan, speaker of the house, and Arturo Jaramillo, secretary of general services, co-chaired the commission during the 2007 interim.

The actual commission members who served during the 2007 interim, in addition to Secretary Jaramillo and Speaker Lujan, included the late Senator Ben D. Altamirano, president pro tempore of the senate; Senator Stuart Ingle, senate minority leader; Representative Thomas C. Taylor, house minority leader; Katherine Miller, secretary of finance and administration; Stuart Ashman, secretary of cultural affairs; Gary Giron, deputy secretary of transportation, serving as secretary Rhonda Faught's designee; Patrick Lyons, commissioner of public lands; Arthur Pepin, director, administrative office of the courts; and State Treasurer James Lewis. It is anticipated that in 2008, Senator Timothy Z. Jennings will replace the late Senator Altamirano.

The legislative council service (LCS), in coordination with the PCD and the staff architect, provides staffing for the commission and works extensively with contractors providing master planning services to the CBPC.

The commission is pleased to submit its annual report to the legislature and the governor.

Master Planning - 2007

The commission met seven times between January 2007 and January 2008. Considerable testimony was taken from several state agencies, commission staff, the master planners and other capital project managers and consultants. PCD staff provided regular updates about various state property projects, renovations and acquisitions, including leases and sales. LCS staff provided regular updates about legislative initiatives and actions.

The master planners, architectural research consultants — Dekker/Perich/Sabatini association (ARC), reported to the commission on progress with the Albuquerque and Santa Fe master plans and updates, presented a number of siting options for the main capitol campus parking structure, reviewed the Santa Fe super complex siting options, reviewed options for the Los Lunas site and reviewed the super block complex options for Albuquerque and the YDDC site.

- **Albuquerque Metropolitan Area**

Prior to 2007, the Albuquerque master plan included a review of leased space, which accounts for \$12.6 million of the cost to the state annually. One major lease brought to the attention of the commission was the Bank of the West building, whose owners are paid \$3.1 million annually in lease payments. The state occupies the majority of the space in this building, which the owners have offered to sell to the state. In response to the recommendations of the consultants and as funding allows, the PCD will be doing more due diligence on the Bank of the West facility.

ARC projected that the growth of the Albuquerque area will continue, as will the needs of state government and facilities to house departments and agencies. Assuming a 1.5 percent annual growth rate, the need for state office space will double in 40 years. In prior years, ARC proposed several state campuses in the Albuquerque area: one central campus near the I-25 and I-40 interchange and four separate campuses in each of the four quadrants of the Albuquerque area. The commission discussed taking advantage of lease-purchase of facilities, authorized by Constitutional Amendment Number 2, which received voter approval in the 2006 general election. In 2007, enabling legislation was adopted requiring that lease-purchase agreements be ratified and approved by the legislature.

In 2006, the consultants were directed to evaluate the super block potential of the YDDC site in Albuquerque and the state land holdings in Los Lunas as possible locations for development of state campuses. Initial findings were reported both in 2006 and again in January 2007. Problems reported for the YDDC site included facility deficiencies projected to exceed \$25 million. It was reported that keeping YDDC at its current site may not be best for long-term land use and that the state may want to consider that site for redevelopment. During 2007, ARC began reviewing potential relocations of some YDDC facilities from Albuquerque to the Los Lunas site. During a presentation by the children, youth and families department (CYFD), the members of the CBPC started exploring the option of relocating some of the agency's programs to Los Lunas as part of the agency's preference to adopt the "Missouri Plan or Model" for housing youthful offenders.

The CBPC ultimately endorsed the agency's request to fund renovations at the J. Paul Taylor Center in Las Cruces and to explore construction of a facility in Los Lunas and other areas of the state.

Considerable testimony was taken regarding the funding and construction of a substance abuse treatment center on the Los Lunas site. Partial funding had already been appropriated in 2007 to the human services department (HSD) for this purpose, and the agency worked in consultation with the CBPC, its staff and contractors to ensure that the facility would be compatible with the overall plan for the site. For the 2008 legislative session, the CBPC endorsed funding to complete construction of the facility.

- Water Rights

The CBPC received a primer on the ownership and sale of state water rights. Also, the state engineer gave testimony regarding the state's water rights on the Los Lunas grasslands area and other state properties, including those under the jurisdiction of the DOT.

- Las Cruces Metropolitan Area and Statewide Review of Properties

In 2007, the legislature appropriated \$350,000 for master planning through FY2009. Since the CBPC authority was expanded by the legislature to include the Las Cruces area and the review of state properties for development of an overall statewide master plan, extensive master planning continues to be done, including annual updates of previous master plans for Santa Fe and Albuquerque. The expanded master planning services contract was awarded to ARC in December 2007.

In response to a request from the GSD, the CBPC endorsed a 2008 legislative initiative to appropriate \$9 million to plan, design, construct or renovate a Las Cruces state office building for the co-location of state agencies in Dona Ana county.

- Santa Fe Metropolitan Area

The need for a capitol parking structure on the main capitol campus was addressed, since the CBPC endorsed legislation in 2007, which passed successfully, to fund a 400-space parking structure. Near the end of the interim, it was determined that a 600-space parking structure would more adequately address the parking needs of both the public and employees, resulting in the CBPC endorsing legislation for additional funding for the larger structure. Several renderings of the parking structure were provided by the master planners to assist the CBPC in its deliberations.

The CBPC endorsed a 2008 legislative initiative to appropriate \$1.5 million to plan and design an executive office building at the main capitol campus for the co-location and relocation of offices for state workers, some of whom are housed in leased space.

The DOT provided a limited update of the department's headquarters and district 5 projects, most particularly as they relate to the south capitol campus and the railrunner project. Development of

the headquarters site has been stalled due to a process review called for by the governor's office. The project is expected to have an extensive impact on the south capitol campus, which has a master plan adopted by the CBPC in 2000. The CBPC expressed concerns throughout the year that the development by the DOT needed to be coordinated with the development of the south capitol campus to maximize the state's abilities to address facility and parking needs of government offices in the Santa Fe area. These critical facility and parking needs remain primary concerns for the CBPC, which endorsed a 2008 legislative initiative to appropriate \$8 million for phase I of the south capitol complex, to include development of an HHS complex.

- State Agency Capital Outlay Requests

In a somewhat collaborative approach to one taken by the joint interim meetings held by legislative committees to review capital project requests from state agencies, the CBPC invited several of the larger state agencies to review their requests, most particularly for projects in areas where the CBPC has master planning jurisdiction. State departments that made presentations included the CYFD, HSD, department of health (DOH), CAD and GSD. Additionally, the commissioner of public lands presented an overview of master planning on state trust lands. Specific project updates were given by the GSD, and one update was provided by the DOT regarding its Santa Fe headquarters and district 5 office projects. The CBPC endorsed specific state agency projects that were consistent with and part of the state's master plans.

- Capital Financing Options

A consultant to the LCS provided an analysis to the commission of owning versus leasing state facilities. It was noted that since the adoption of a 2006 amendment to the constitution of New Mexico that allows the state to enter into lease-purchase agreements, it would be possible to move from paying for private lease space into lease-purchasing state-owned buildings, either through the NMFA, which has the authority to acquire buildings for the state, or through private entities. In one scenario, funds for lease payments would become the pledged revenue stream for the payment of bond debt. These options have various advantages to the state, which include:

- gaining equity in state-owned buildings;
- not paying extra for private-owner profit;
- financing construction or acquisition of buildings at lower interest rates because of the state's tax-exempt status and because the state has a higher credit rating than private developers;
- constructing buildings with greater, and more efficient, space per employee than that generally found in leased space; and
- promoting "economies of scale" and serving the public more efficiently by consolidating state employees from many small leased spaces into larger state-owned campuses with shared auditoriums and conference rooms.

In support of the south capitol campus and the new authority to enter into lease-purchase agreements for the south capitol campus development, the commission endorsed an \$8 million appropriation request for phase I of south capitol complex development, including an HHS complex.

Other issues discussed included:

- the impact of the DOT's transit-oriented design on the south capitol campus plan; and
- the need for additional and larger meeting areas as well as a proposed parking structure at the capitol complex.

Specific Building Acquisitions and Project Status - Background Information

◆ Capitol Complex Parking - Santa Fe

Senate Bill 289 (Laws 2005, Chapter 320) authorized the PCD to spend bond proceeds to plan, design, construct and equip a parking structure on the main capitol campus in Santa Fe in coordination with the New Mexico legislative council, contingent upon approval from the CBPC and in conformance with the approved master plan. Although partial funding was available for the planning and design of the proposed structure, the legislature provided funding of approximately \$11.5 million during the 2007 legislative session. Additional funding is being requested in the 2008 legislative session to cover the cost of constructing a 600-space parking structure. In 2007, the PCD proposed using a "design-build" process on the capitol parking structure, a "first" for the state. The CBPC agreed that the PCD should select a consultant to serve as the design criteria professional and go forward to administer a design-build selection process. ARC was selected for administering the process, and it is anticipated that a design-build contract will be awarded by March 2008. It is expected that the construction will be completed in time for the 2009 legislative session.

◆ Scientific Laboratory (Tri-Lab) - Albuquerque

Senate Bill 289 (Laws 2005, Chapter 320) and **House Bill 885 (Laws 2005, Chapter 347)** authorized partial funding for a replacement facility for the state laboratory (tri-lab) on the university of New Mexico (UNM) campus in Albuquerque. Estimates for construction costs and utility access grew rapidly, causing a substantial shortage in funding for the estimated 185,000 square-foot facility. After receiving considerable testimony, the CBPC sought additional bonding capacity for the tri-lab construction from the 2007 legislature in **Senate Bill 1061 (Laws 2007, Chapter 64)**, bringing total funding to \$86 million for the project. The PCD issued an RFP in November 2007, and a contractor will be selected in January 2008. Construction should begin in March or April 2008.

◆ Health and Human Services Complex (HHS) (formerly the Super Complex) - Santa Fe

The commission was presented with implications for a super complex upon the completion of questionnaires and interviews by the consultants. The master planning consultants determined through their analysis that a super complex would improve public accessibility, create more common space, relieve crowding in existing facilities and vacate currently leased space.

The PCD considered Valdes industrial park property as the initial prime location for the complex, and it appropriated \$1.8 million to fund the first phase of programming for this project. The PCD contracted with the team of SMPC and HOK for the programming phase for the HHS complex. During the 2007 interim, and after considerable study and discussion, other Santa Fe sites not currently owned by the state were evaluated and eliminated, resulting in the CBPC deciding to support an \$8 million capital outlay request from GSD/PCD to begin phase I of the south capitol complex development to program, design, construct and acquire and install equipment for the HHS complex. This initiative has been submitted as a capital outlay request for consideration by the 2008 legislature.

◆ **Coughlin Building - Santa Fe**

This building, located on the main campus site for the capitol complex parking structure, was purchased by the state on December 27, 2007. It currently serves as temporary housing for legislative session staff, but it is scheduled for demolition in 2008.

◆ **Exchange Old Tri-Laboratories Facility at UNM - Albuquerque**

The GSD and UNM have been in discussions about the possible exchange of the old tri-laboratory facility. The GSD has requested a joint resolution authorizing an exchange of the facility for land at UNM.

◆ **Las Cruces State Office Building**

In 2004, the legislature appropriated funding to PCD to plan and design a new state office building facility in Las Cruces. The state retained ASA Architects Studio, assisted by ARC, Dekker/Perrich/Sabatini Architects and Economic and Planning Systems, Inc. (EPS), to complete a space needs assessment and preliminary facility programming, identify potential sites and complete preliminary site evaluations and conceptual development studies for the proposed facility. The PCD has requested for the 2008 legislative session and the CBPC has endorsed funding for the purchase or construction of a state office building in Las Cruces for co-location of state agency offices.

◆ **National Education Association (NEA) Building - Santa Fe**

Acquisition of this building was recommended in the initial master plan and was completed on schedule. The NEA temporarily leased office space from the state and vacated in August 2005. The building was renamed the Concha Ortiz y Pino building and houses the office of the state engineer and some staff from the homeland security and emergency management department and the DPS.

◆ **Public Employees Retirement Association (PERA) Building Purchase - Santa Fe**

In December 2004, a negotiating group was appointed from the commission to meet with a negotiating group from the PERA board. A meeting was held on January 3, 2005 to continue discussions regarding the purchase of the PERA building by the state. **House Bill 1045 (Laws 2005, Chapter 147)** authorized the PERA board to acquire land and construct a new building to house the association, if the existing PERA building were sold. This measure also provided the authority to use the proceeds of the sale of the existing PERA building to design and construct a new building for the PERA, which will be held as a trust asset in the PERA's name.

Representatives from the commission and PERA worked throughout the 2005 interim to establish and implement a proposed process to be followed regarding the purchase of the PERA building. Bonds totaling \$25 million were sold by the NMFA to fund the entire purchase and facility upgrades. Closing on the sale took place on December 1, 2006.

Operational management of the facility was transferred to the GSD. Under the current agreement, the PERA has 30 months to vacate the building and make it available to the PCD. The PCD is planning to relocate the public regulation commission from leased space into the state facility once the PERA has vacated. In the long term, the facility will be used to house agencies currently residing in expensive leased facilities, thereby easing the operational costs to the state.

The PERA purchased land and broke ground in 2007 on a new building in a location south of Santa Fe near I-25 and the west frontage road.

◆ **West Capitol Complex - Santa Fe**

The complex was recommended in the initial master plan. The facility most recently constructed at the site was named the Toney Anaya building; it houses the regulation and licensing department and the aging and long-term services department.

In the 2007 legislative session, \$5 million was appropriated to acquire approximately 2.5 acres of land from the federal general services administration and an additional seven acres from the U.S. forest service property located adjacent to the west capitol campus. The acquisition would allow the state to have a contiguous campus from Cerrillos road to Siringo road and allow the state to build facilities to move agencies out of leased space. Both federal agencies have been given authorization to dispose of the property through a competitive process and congressional action is required to direct the agencies to sell the property to the state of New Mexico. The PCD reported to the CBPC during 2007 that it had provided a letter to Senator Bingaman's office requesting that a congressional initiative be introduced.

◆ **DeVargas Street Property - Santa Fe**

House Joint Resolution 12 (Laws 2004) and House Bill 545 (Laws 2004, Chapter 63) authorized the sale of the labor department building in Santa Fe and authorized the proceeds of the sale to be used for the purchase of a new building. Although the GSD did advertise the property,

the workforce solutions department (formerly the labor department) reconsidered the action and remains in the facility. The appropriation authorization granted in House Bill 545 expires at the end of FY2008. The department has been considered for consolidation in the future with other "human services" agencies.

◆ **Galisteo Property - Santa Fe**

In 2007, the legislature authorized the sale, trade or lease of this property, which is situated near St. Michael's drive and St. Francis drive in Santa Fe.

◆ **Villagra Building - Santa Fe**

A new building, connected to the Villagra building, was completed in 2006 and renamed the Paul Bardacke attorney general complex. Both buildings are occupied by the office of the attorney general (AG) and staff. The Villagra building was renovated prior to occupancy by the AG staff, and the space vacated by the AG in the Bataan building was occupied by the CAD.

◆ **Court of Appeals Building - Albuquerque**

During 2005, the commission heard a presentation from the state court of appeals proposing that a new court of appeals building be located on the UNM campus near the school of law. The supreme court building in Santa Fe currently houses the supreme court, court of appeals and administrative office of the courts and has no room for expansion, even though the space needs of the courts continue to grow. The commission heard testimony that the costs for construction of the new court of appeals would not include land costs and that UNM would provide a long-term lease. Also, the proximity to the law school would provide the court with access to the school's library, and Albuquerque's centralized location would be an added convenience for the residents of New Mexico who use the court of appeals. The building is estimated to cost just over \$12 million, including modern court security standards and furniture. In 2006, \$1.2 million in capital outlay funding was authorized for planning and design of the new facility, and NCA Architects were selected. In the 2007 session, \$7.8 million was appropriated for construction of the facility. An additional \$6.6 million has been requested for the project. Construction documents will be completed in February 2008 and construction is expected to begin in May 2008.

The commission also heard testimony about the effect a relocation of the court would have on its employees. Commissioners learned that a majority of court of appeals employees commute from Albuquerque and are in favor of the proposal. A limited court of appeals presence would be maintained in Santa Fe so that employees who live there would not have to commute or relocate.

◆ **Old Metropolitan Court - Albuquerque**

Bernalillo county has expressed interest in the property, since the GSD advertised the facility for sale, trade or lease.

◆ **State Police Crime Laboratory - Albuquerque**

In January 2008, the CBPC heard testimony from the DPS and, subsequently, voted to support legislation to locate the facility in Santa Fe county.

◆ **YDDC - Albuquerque**

During the 2007 interim, it was decided that more planning needed to be done to determine the extent and potential for moving some YDDC programs to the Los Lunas site. In the meantime, the CBPC endorsed certain CYFD requests to fund critical repairs to the water and security systems of the CYFD facilities. Additionally, the commission endorsed the CYFD proposal to move toward smaller, regional facilities for housing youthful offenders, referred to as the "Missouri Model". The master planning process was directed to study the possibility of relocating CYFD facilities to the Los Lunas site.

◆ **Substance Abuse Treatment and Training Center - Los Lunas**

The 2007 legislature appropriated \$5 million to design and construct a substance abuse treatment center in Los Lunas. The HSD and PCD identified both land and facility opportunities for locating the facility at the Los Lunas campus. During the 2007 interim, the CBPC endorsed the HSD's request for \$6 million in additional funding to complete construction of the center.

DOT Facility

◆ **General Office Transit Oriented Development (GOTOD) at Headquarters on Cerrillos and Cordova Roads in Santa Fe**

The DOT is continuing its efforts to find a way to convert the department's most valuable asset, the headquarters site, approximately 25 acres at Cerrillos and Cordova roads, into a new headquarters building and multimodal transportation center. In 2005, the DOT promoted amendments to part of its enabling legislation that authorize it, through the state transportation commission, to lease its property for commercial enterprise (**Laws 2005, Chapter 122, Section 1**). During the 2005 interim, the DOT reported to the commission that it was moving forward with its transit-oriented design/development (TODD) with key concepts that include mixed uses (retail, housing and office space, for example) and multimodal transit components.

At the August 30, 2006 meeting of the CBPC, DOT representatives discussed the status of a proposal to allow access by a developer to the existing general office commercial property in exchange for a new general office facility on a different location at the same site and, in an amount not to exceed \$90 million, a multimodal transportation facility with a commuter rail train station and the ability to accommodate bus, vehicle, pedestrian and bicycle traffic and parking. In exchange, the DOT was to allow the developer to create a master plan and develop the entire

property for retail and other commercial use. Two offerors, SCS development, LLC, and south capital station, LLC, submitted proposals to the second bidding of the project. SCS development won the bid; however, questions arose regarding the project, which remains on hold while a process review is being conducted as directed by the governor's office.

◆ **Repair of Historic Buildings Under the Cultural Affairs Department**

The commission recommended and the legislature enacted **Senate Bill 332 (Laws 2004, Chapter 123)** to eliminate the CAD's access to bond proceeds for maintenance and repair funds. According to the CAD secretary, the department has 53 buildings statewide (soon to be 60), many of which are not under the control of the PCD. More than \$13 million in deferred maintenance needs were identified for these buildings prior to the 2006 legislative session. In that session, the secretary requested the commission to consider drafting legislation to create a fund for historic CAD buildings in Santa Fe that are in need of maintenance and repair. Each year since 2006, the CBPC has endorsed the CAD requests for appropriations to address maintenance and repair of CAD facilities.

RECOMMENDATIONS FOR 2008 LEGISLATION

2008 LEGISLATIVE INITIATIVES

Approved by the Capitol Buildings Planning Commission January 2008

1. CAPITOL CAMPUS PARKING STRUCTURE, SANTA FE. Increase the gross receipts tax distribution to the State Building Bonding Fund to provide an additional \$9 million in bond capacity to complete the planning, design and construction of the main capitol campus parking structure. **SB 298 — SENATOR STUART INGLE, SPONSOR**

2. DEPARTMENT OF HEALTH OLD TRI-LAB FACILITY, ALBUQUERQUE. Ratify and approve the trade, sale or other transfer of the Department of Health building located on the University of New Mexico campus. **HJR 9 — SPEAKER BEN LUJAN, SPONSOR**

3. CRIME LABORATORY. Amend Laws 2007, Chapter 64, Section 6 to remove the location requirement for the New Mexico State Police crime laboratory. **HB 352 — SPEAKER LUJAN, SPONSOR**

4. CAPITAL OUTLAY REQUESTS WITHIN MASTER PLANNED AREAS OF NEW MEXICO. The commission endorsed certain capital outlay requests presented to the commissioners for their consideration as to whether they are consistent with the master plans under the purview of the commission and with the general development principles of master planning for state government. Commissioners clarified in the January 2008 meeting that the adequacy of appropriation requests was not the purpose of the endorsement.

- ◆ Funding for Phase I of the South Capitol complex development to program, design, construct, acquire and install equipment for a health and human services complex. **\$8 MILLION**
- ◆ Funding to acquire, build or renovate a Las Cruces state office building for the co-location of state agencies in Dona Ana County. **\$9 MILLION**
- ◆ Funding for Phase I to plan and design an executive office building at the main capitol campus. **\$1.5 MILLION**
- ◆ Funding to plan, design, construct or renovate, and acquire and install equipment for, a substance abuse treatment facility in Los Lunas. **\$6 MILLION**
- ◆ Funding to furnish and equip the New Mexico History Museum. **\$750,000**
- ◆ Funding for renovations and repairs at Cultural Affairs Department facilities statewide. **\$7.1 MILLION**
- ◆ Funding to purchase, install, replace and upgrade security systems at Children, Youth and Families Department facilities statewide. **\$1 MILLION**
- ◆ Funding for programming and renovation of the J. Paul Taylor Center for a pilot "Missouri Plan". **\$200,000**
- ◆ Funding for water line repairs and replacement at Youth Diagnostic and Development Center facilities. **\$1 MILLION**

STATUTORY AUTHORITY

ARTICLE 10
Capitol Buildings Planning Commission

Section

15-10-1 Capitol buildings planning commission created.

15-10-1. Capitol buildings planning commission created.

A. The "capitol buildings planning commission" is created to study and plan for the long-range facilities needs of state government in Santa Fe and Albuquerque. The commission shall review prior long-range facilities needs assessments and develop an initial master plan for the state facilities in Santa Fe and Albuquerque.

B. The commission shall be composed of four members of the legislature, two from each house, appointed by the New Mexico legislative council, the secretary of general services, the New Mexico staff architect, the secretary of highway and transportation or his designee, the state cultural affairs officer or his designee, the secretary of finance and administration or his designee, the commissioner of public lands or his designee and the chairman of the supreme court building commission or his designee.

C. The legislative council service shall provide staff for the commission in coordination with the staff of the general services department.

D. The commission shall meet regularly and shall report annually to the legislature on an annual update of the master plan for the long-range facilities needs of state government in Santa Fe and Albuquerque.

History: Laws 1997, ch. 178, § 5; 2002, ch. 69, § 1; 2003, ch. 110, § 1.

The 2002 amendment, effective May 15, 2002, inserted the references to Albuquerque in Subsections A and D; and inserted "regularly" in Subsection D.

The 2003 amendment, effective June 20, 2003, inserted "the secretary of highway and transportation or his designee, the state cultural affairs officer or his designee" following "New Mexico staff architect" in Subsection B.

The 2007 amendment, effective March 29, 2007, directs the commission to study and plan for facilities in Las Cruces and to develop a master plan for facilities statewide, eliminates the staff architect as a commission member and adds the state treasurer as a commission member; and requires the staff architect and property control division to provide staff for the commission.

**HISTORY OF LEGISLATION RELATING
TO THE
CAPITOL BUILDINGS PLANNING
COMMISSION (CBPC)**

HISTORY OF LEGISLATION RELATING TO THE CAPITOL BUILDINGS PLANNING COMMISSION (CBPC)

1997	House Bill 1268 (B. Lujan), Chapter 178, Section 5. Compiled under Section 15-10-1 NMSA 1978.	In Section 5, the CBPC is created to study and plan for the long-range facilities needs of state government in Santa Fe. Chapter 178 also contains appropriations for the Capitol North and state library original renovations.
1998	House Bill 211 (B. Lujan), Chapter 58. Compiled under Section 15-3B-20 NMSA 1978.	Established the "Property Control Reserve Fund", which consists of appropriations, money from sale of real estate, gifts, etc., to be used for purchasing or constructing state office buildings in Santa Fe subject to appropriation by the legislature. Money in the fund is not subject to reversion to the general fund.
1998	SJR 13 (Maes).	Charged the CBPC with review of the disposition of the properties known as La Villa Rivera, Marian Hall and Cathedral Park.
1998	Senate Bill 322 (Fidel), Chapter 70.	Provided \$150,000 for a master plan and \$150,000 for a repair-and-replacement study for state facilities in Santa Fe.
2000	<i>Senate Bill 134 (Fidel) failed.</i>	Would have authorized the Property Control Division (PCD) of the General Services Department (GSD) to acquire various office buildings in Santa Fe County for use as state office buildings; would have authorized the State Board of Finance to issue and sell state office building tax revenue bonds in compliance with the State Office Building Acquisition Bonding Act.
2000	<i>Senate Bill 135 (Fidel) failed.</i>	Would have created the State Office Building Acquisition Bonding Act.

HISTORY OF LEGISLATION RELATING TO THE CAPITOL BUILDINGS PLANNING COMMISSION (CBPC)

2001	Senate Bill 182 (Fidel), Chapter 166. Compiled under Section 6-21C-4 NMSA 1978.	Legislature authorized the PCD to acquire various office buildings and land in Santa Fe County for use as state office buildings, as recommended in the master plan, and authorized the New Mexico Finance Authority (NMFA) to issue up to \$75 million in revenue bonds for the purchase of properties. The properties included: construction of a new office at the West Capitol complex; purchase of the National Education Association (NEA) Building; purchase of the Public Employees Retirement Association (PERA) Building; and purchase of land on Cerrillos Road in Santa Fe, located adjacent to the District 5 office of the Department of Transportation (DOT).
2001	Senate Bill 214 (Fidel), Chapter 199. Compiled under Chapter 6, Article 21C NMSA 1978.	Enacted the State Office Building Acquisition Bonding Act. Offered the financing source for the West Capitol complex, NEA and PERA buildings and land on Cerrillos Road adjacent to the DOT District 5 office. The bill earmarked a distribution (intercept) of state gross receipts tax revenue, up to \$500,000 per month, to buy and build state office buildings; the NMFA is authorized to sell state office buildings tax revenue bonds to acquire the state office buildings authorized in Senate Bill 182. (The NMFA issued the first series of state office building tax revenue bonds, totaling \$34.7 million, on December 13, 2001.)
2002	Senate Bill 111 (Fidel), Chapter 69. Compiled under Chapter 15 Article 10 NMSA 1978.	Amendment to include the Albuquerque Master Plan within the purview of the CBPC.
2002	House Bill 88 (Sandoval), Chapter 110.	Appropriated bond funding of \$3 million to plan, design, construct and equip a state lab at the University of New Mexico (UNM) in Albuquerque. Funding was programmed to four labs to include the state police crime lab, Office of the Medical Investigator, the Department of Health (DOH) scientific lab and the Department of Agriculture lab.

HISTORY OF LEGISLATION RELATING TO THE CAPITOL BUILDINGS PLANNING COMMISSION (CBPC)

2003	Senate Bill 689 (Fidel), Chapter 110. Compiled under Section 15-10-1 NMSA 1978.	Added the secretary of transportation and the secretary of cultural affairs to the CBPC membership.
2003	House Bill 496 (Coll), Chapter 371. Compiled under Section 6-21C-5 NMSA 1978.	Renamed the State Office Building Acquisition Bonding Act as the State Building Bonding Act; changed the name of the State Office Building Bonding Fund to the State Building Bonding Fund; and expanded the act's purpose to authorize the NMFA to issue and sell bonds through the State Building Bonding Fund for renovation and maintenance of existing structures and development of permanent exhibits for state museums, including monuments.
2003	House Bill 594 (Coll), Chapter 372. Compiled under Section 6-21C-5 NMSA 1978.	Authorized the NMFA to issue and sell state museum tax revenue bonds in compliance with the State Building Bonding Act, not to exceed \$5,760,000 when the state cultural affairs officer certifies that the money is needed for renovation, maintenance and development of state museums and monuments after review by the CBPC. The commission reviewed the proposal after the Office of Cultural Affairs certified it and recommended the issuance of bonds.
2003	House Bill 259 (J.G. Taylor), Chapter 89.	Appropriated \$8 million from the State Building Bonding Fund to the board of regents of New Mexico State University for acquisition of a university sports facility after all other authorized projects have been funded.
2004	House Joint Resolution 12 (Varela) and House Bill 545 (B. Lujan), Chapter 63. Compiled under Section 15-3B-20 NMSA 1978.	Approved the sale of the Labor Department building in Santa Fe and authorized the proceeds of the sale to be used for the purchase of a new building.

HISTORY OF LEGISLATION RELATING TO THE CAPITOL BUILDINGS PLANNING COMMISSION (CBPC)

2004	Senate Bill 332 (Fidel), Chapter 123. Compiled under Chapter 6, Article 21C NMSA 1978.	Grandfathered in cultural affairs projects that were authorized in 2003 using intercept funds for the State Building Bonding Fund, but returned the purpose of the law to its original language of 2001. The bill also included amendments to Laws 2001, Chapter 166. The amendments expanded the Jaguar Road definition from "for the purchase of land on Cerrillos Road in Santa Fe, located adjacent to the District 5 office of the Department of Transportation" to increase the available property that could be considered in the public safety campus area and required that infrastructure be in place. Also, the bill appropriated \$250,000 to the Legislative Council Service (LCS) for expenditure in FY04-FY07 to provide for master planning (an update to the original Santa Fe Master Plan) and annual updates.
2005	House Bill 1045 (B. Lujan), Chapter 147. Compiled under Section 10-11-130 NMSA 1978.	Authorized the PERA board to acquire land and construct a new building to house the retirement association if the existing PERA building is sold. This measure also provided authority to use the proceeds of the sale of the existing PERA building to design and construct a new PERA building, which will be held as a trust asset in the PERA's name.
2005	Senate Bill 289 (Fidel), Chapter 320. Compiled under Section 6-21C-4 NMSA 1978.	Expanded the purposes of the State Building Bonding Act. Authorized the PCD to spend bond proceeds to plan, design, construct and equip a parking structure in the central capitol campus in Santa Fe, contingent upon approval from the CBPC and in conformance with the CBPC-approved master plan; expanded the use of the fund slightly to cover replacement of state facilities in danger of losing certification and, thus, authorized partial funding for a replacement facility for the state laboratory on the UNM campus in Albuquerque. The commission heard testimony during the interim that the tri-labs purchase agreement had been drafted and the site had been selected on the UNM campus near Carrie Tingley Hospital, which will provide the labs with access to I-25. It extended the expiration of the master planning expenditure authorization from FY07 to FY08. The original appropriation was made in 2004.

HISTORY OF LEGISLATION RELATING TO THE CAPITOL BUILDINGS PLANNING COMMISSION (CBPC)

2006	<i>Senate Bill 380 (Fidel), failed.</i>	Would have appropriated \$565,000 from the general fund to the PCD to establish a master planning and asset management function for the needs of state government facilities within the purview of the CBPC and to obtain the necessary hardware and software necessary to maintain an updated master plan.
2007	House Bill 1022 (B. Lujan), Chapter 184. Not yet compiled.	Established enabling provisions for the lease-purchase of state facilities. Purchase must be authorized by the legislative. <i>(Does not include public school facilities or state educational institutions — see SB 395 (Nava) for public school facilities)</i>
2007	Senate Bill 1061 (Ingle), Chapter 64. Portions to be compiled under: —Chapter 6, Article 21C; —Chapter 7, Article 1; and —Chapter 15, Article 10 NMSA 1978.	Changed the membership to include the state treasurer and omit the staff architect; expanded the jurisdiction of the commission to Las Cruces; and clarified that the jurisdiction also applies to the metropolitan areas of Santa Fe, Albuquerque and Las Cruces. Required that a review of state properties be done throughout the state in order to develop an overall master plan and authorized \$350,000 for FY07 through FY09 to the LCS to undertake for the CBPC. Authorized various financing methods for the acquisition of needed state properties: an additional \$10 million in state office building tax revenue bonds, appropriating the proceeds of the bonds (\$18.8 million) for the state (tri) laboratory, the acquisition of the Coughlin Building (\$1.5 million), the capitol parking structure (\$11.5 million) and the commission's master planning process (\$350,000); increased the gross receipts tax distribution for debt service to \$530,000 from \$500,000; authorized \$11 million in severance tax bonds for the state laboratory for FY07 through FY11; appropriated \$5 million (\$1.5 million from the Property Control Reserve Fund and \$3.5 million from the Public Buildings Repair Fund) for FY07-FY09 to purchase federal property within the West Capitol complex; and appropriated \$1 million from the general fund for the planning and design of a state police crime laboratory in Albuquerque in FY07-FY09. Provided that state office building tax revenue bonds outstanding at any one time shall not exceed \$100 million, an increase of \$10 million above the previous level.

**HISTORY OF LEGISLATION RELATING TO THE
CAPITOL BUILDINGS PLANNING COMMISSION (CBPC)**

2007	House Bill 1137 (B. Lujan), Chapter 192.	<u>Not a CBPC bill</u> , but appropriated \$4.5 million for plan, design, construction and renovation of Capitol North and limited capitol space needs. (Funds \$1 million FY07 distributions from the Capitol Buildings Repair Fund (CBRF), \$2.5 million in FY08 distributions to CBRF and \$1 million in legislative cash balances.) FY07-FY11 expenditure authority. Emergency clause.
2007	House Bill 2 (Saavedra), Chapter 28.	Provided additional funds and two full-time employees in the GSD/PCD.
2007	Senate Joint Resolution 13 (Papen).	<u>Not a CBPC bill</u> , but authorized the sale/trade of property in Las Cruces for the future co-location/construction of state facilities.
2007	Senate Joint Resolution 16 (Altamirano).	Authorized sale, trade or lease of the old metro court in Albuquerque.
2007	House Joint Resolution 8 (B. Lujan).	Authorized sale or trade of Galisteo Road property in Santa Fe.
2007	House Joint Resolution 14 (Sandoval).	<u>Not a CBPC bill</u> , but authorized lease of certain property adjacent to Edith Boulevard (YDDC) in Albuquerque.

AGENDAS AND MINUTES

Revised: January 11, 2007

**TENTATIVE AGENDA
for the
SECOND MEETING
of the
CAPITOL BUILDINGS PLANNING COMMISSION**

**January 12, 2007
Room 321, State Capitol
Santa Fe**

Friday, January 12

3:00 p.m.

Call to Order

- Arturo Jaramillo, Secretary, General Services Department, Co-Chair
- Representative Ben Lujan, Speaker of the House, Co-Chair

Adoption of the August 30, 2006 Meeting Minutes

Status of Albuquerque Master Plan and Update of the Santa Fe Master Plan

- John Petronis, Architectural Research Consultants (ARC)
- Andy Aguilar, ARC

Santa Fe Parking Garage — Report

- John Petronis, ARC
- Andy Aguilar, ARC

Property Updates and Project Status

- Bill Taylor, Director, Property Control Division (PCD)
 - Update on property acquisitions
 - Albuquerque scientific laboratory update
 - Galisteo appraisal data

Lease Purchase Enabling Legislation Options Based on November 7, 2006

Passage of Constitutional Amendment

- Bill Taylor, PCD
- Paula Tackett, Director, Legislative Council Service (LCS)
- Gary Carlson, LCS

Proposed Legislation

Review of Draft Annual Report

Public Comment

Other Business

Adjourn

Revised: May 17, 2007

**TENTATIVE AGENDA
for the
CAPITOL BUILDINGS PLANNING COMMISSION (CBPC)**

**May 21, 2007
Room 321, State Capitol
Santa Fe**

Monday, May 21, 2007

1:00 p.m.

Call to Order

- Arturo Jaramillo, Secretary, General Services Department, Co-Chair
- Representative Ben Lujan, Speaker of the House, Co-Chair

Adoption of the January 17, 2007 Meeting Minutes

Update on CBPC Legislative Initiatives

- Paula Tackett, Director, Legislative Council Service (LCS)
 - Legislative update
 - Lease-purchase legislation (HB 1022)
 - Capitol North renovations (HB 1137)
 - CBPC membership; expanded authority to Las Cruces (SB 1061)
- Bill Sisneros, Director, New Mexico Finance Authority
 - SB 1061- Financing (Gross receipts tax distribution to State Building Bonding Fund; \$1 million for plan and design crime lab; \$1.5 million for Coughlin Building; \$5.5 million for capitol parking)

PCD Legislative Update on CBPC Resolutions and Related Items

- Bill Taylor, Director, Property Control Division (PCD)
 - HJR 8 - Sale of property on Galisteo
 - HJR 14 - YDDC land near Edith Boulevard; lease, sell or trade
 - SJR 16 - Old Metro Court
 - SJR 13 - Las Cruces property
 - PCD - Additional budget and staffing request for capital projects

**Status of Albuquerque Master Plan and Updates to Santa Fe Master Plan,
3-D of Parking Garage**

- John Petronis, Architectural Research Consultants (ARC)
- Andy Aguilar, ARC

Capitol Parking Garage

- Bill Taylor and Larry Miller

Property Updates and Project Status

- Bill Taylor, Director, Property Control Division (PCD)
 - Update on property acquisitions
 - Albuquerque scientific laboratory update
 - Bank of the West - Due diligence
 - Other items

New Mexico Department of Transportation - Updates

- Gary Giron, Deputy Secretary, NMDOT
 - Headquarters in Santa Fe
 - District office move and water rights

Future Meeting Dates

- Tuesday, August 21, at 9:00 a.m.
- Monday, September 24, at 1:30 p.m.
- Monday, November 19, at 10:00 a.m.

Future Agenda Items

- State Land Office - Master Planning Initiatives

Public Comment**Other Business****Adjourn**

**AGENDA
for the
CAPITOL BUILDINGS PLANNING COMMISSION (CBPC)**

**August 21, 2007
Room 317, State Capitol
Santa Fe**

Tuesday, August 21

9:00 a.m. **Call to Order**
—Arturo Jaramillo, Secretary, General Services Department (GSD), Co-Chair
—Representative Ben Lujan, Speaker of the House, Co-Chair

Adoption of the Minutes of the May 21, 2007 Meeting

Introduction of New State Architect — Lemoyne Blackshear

9:10 a.m. **Master Planning Process (Brief Overview) and Updates**
—John Petronis, Architectural Research Consultants (ARC)
—Andy Aguilar, ARC

9:45 a.m. **Children, Youth and Families Department (CYFD), Master Planning and
Facilities Overview**
—Dorian Dodson, Secretary, CYFD
—Danny Sandoval, Deputy Secretary, CYFD

10:00 a.m. **Water Rights — Los Lunas and Santa Fe State Properties**
—John D'Antonio, State Engineer
—John Romero, Director, Water Resource Program
 —Primer on Ownership and Sale of State Water Rights
 —Water Rights for Los Lunas/Grasslands
 —Water Rights Issues with New Mexico Department of Transportation
 (NMDOT) District Office Relocation

10:30 a.m. **NMDOT — Updates on Projects**
—Gary Giron, Deputy Secretary, NMDOT
 —NMDOT Headquarters in Santa Fe
 —Master Plan Update and Funding Issues
 —District 5 Office Move and Water Rights Issues

11:00 a.m. **New Mexico Cultural Affairs Department — Capital Needs Assessment**
—Stuart Ashman, Secretary, Cultural Affairs Department

11:30 a.m. **State Property Updates and Project Status**
—Bill Taylor, Director, Property Control Division, GSD
 —Update on Property Acquisitions (West Cap & GSA)
 —South Campus

- Coughlin Building
- Albuquerque Scientific Laboratory Update
- Capitol Parking Garage
- Update on Maximus Facility Focus Asset Management System
- Super Complex in Santa Fe
- Other Items

12:00 noon **State Land Office — Master Planning on State Trust Lands**
—Patrick Lyons, State Lands Commissioner
(PowerPoint Presentation)

12:30 p.m. **Continuation of Agenda, As Needed**

Public Comment

Other Business

Adjourn

Revised: September 21, 2007

**TENTATIVE AGENDA
for the
CAPITOL BUILDINGS PLANNING COMMISSION (CBPC)**

**September 24, 2007
Room 321, State Capitol
Santa Fe**

Monday, September 24

1:30 p.m. **Call to Order and Adoption of the August 21, 2007 Minutes**
—Arturo Jaramillo, Secretary, General Services Department (GSD), Co-Chair
—Representative Ben Lujan, Speaker of the House, Co-Chair

Update and South Capitol Master Planning Review
—John Petronis, Architectural Research Consultants (ARC)
—Andy Aguilar, ARC

2:30 p.m. **Human Services Department (HSD) Strategic Planning for Facilities
Overview, Health and Human Services Complex (formerly Super
Complex) and HSD Substance Abuse Facility in Los Lunas**
—Pamela Hyde, Secretary, HSD
—Paula Maglione, Bureau Chief, HSD

Department of Health (DOH), Strategic Planning for Facilities Overview
—Dr. Alfredo Vigil, Secretary, DOH
—Duffy Rodriguez, Deputy Secretary, DOH

3:30 p.m. **Report — Health and Human Services Complex and Site Assessment
Evaluation**
—Bill Taylor, Director, Property Control Division, GSD
—HOK Architects and SMPC Architects, Consultants on the Complex

State Property Updates and Project Status
—Bill Taylor, Director, Property Control Division, GSD

Public Comment and Other Business

Adjourn

Revised: November 13, 2007

**TENTATIVE AGENDA
for the
CAPITOL BUILDINGS PLANNING COMMISSION**

**November 13, 2007
Room 309, State Capitol
Santa Fe**

Tuesday, November 13

1:30 p.m. **Call to Order and Adoption of the September 24, 2007 Minutes**
—Arturo Jaramillo, Secretary, General Services Department (GSD), Co-Chair
—Representative Ben Lujan, Speaker of the House, Co-Chair

State Property Updates and Project Status

—Bill Taylor, Director, Property Control Division (PCD), GSD
—Capitol Parking Structure
—Update on Property Acquisitions
 —West Capitol Campus
 —Coughlin Building
—Old Metropolitan Court Property
—UNM: Labs; Property Exchanges

Capital Financing Options

—Tom Pollard, Consultant, Legislative Council Service (LCS)

General Services Department Capital Outlay Requests

—Bill Taylor, PCD

Commission Action, As Needed, and Proposed Legislation

—Paula Tackett, Director, LCS
—Master Planning Consultant RFP and Selection Process — Next Meeting
—Support of Capital Outlay Requests That Will Protect Capital Assets

Public Comment and Other Business

Selection of Future Meeting Dates

Adjourn

**TENTATIVE AGENDA
for the
CAPITOL BUILDINGS PLANNING COMMISSION**

**December 10, 2007
Room 317, State Capitol
Santa Fe**

Monday, December 10

1:30 p.m. **Call to Order and Adoption of the November 13, 2007 Minutes**
—Arturo Jaramillo, Secretary, General Services Department (GSD), Co-Chair
—Representative Ben Lujan, Speaker of the House, Co-Chair

State Property Updates and Project Status

—Bill Taylor, Director, Property Control Division (PCD), GSD
 —Update on Property Acquisitions
 —West Capitol Campus
 —Coughlin Building
 —Old Metropolitan Court Property
 —UNM: Labs; Property Exchanges
 —Galisteo and DeVargas Properties

Capitol Parking Structure Update

—Bill Taylor, Director, PCD
—John Petronis, Architectural Research Consultants

Las Cruces State Office Building Study

—Bill Taylor, Director, PCD

Commission Action — Master Planning Consultant RFP

—Paula Tackett, Director, Legislative Council Service (LCS)

Capital Outlay Requests and Presentations to CBPC — Staff Report

—Paula Tackett, Director, LCS
—Bill Taylor, PCD

Proposed Legislation and Recommendations

Public Comment and Other Business

Selection of Future Meeting Date

—January 8 or 9, 2008

Adjourn

**TENTATIVE AGENDA
for the
CAPITOL BUILDINGS PLANNING COMMISSION**

**January 8, 2008
Room 321, State Capitol
Santa Fe**

Tuesday, January 8

2:00 p.m. **Call to Order and Adoption of the December 10, 2007 Minutes**
—Arturo Jaramillo, Secretary, General Services Department (GSD), Co-Chair
—Representative Ben Lujan, Speaker of the House, Co-Chair

Department of Public Safety (DPS) — Forensic Laboratory
—Paul Cook, Deputy Secretary of Administration, DPS

Preliminary Albuquerque Master Plan
—John Petronis, Architectural Research Consultants (ARC)

State Property Updates and Project Status
—Bill Taylor, Director, Property Control Division (PCD), GSD

Legislative Initiatives
—Paula Tackett, Director, Legislative Council Service (LCS)
—Gary Carlson, LCS

Public Comments and Other Business

Adjourn

MINUTES

**MINUTES
of the
CAPITOL BUILDINGS PLANNING COMMISSION**

**January 12, 2007
State Capitol, Room 321
Santa Fe**

The January meeting of the of the Capitol Buildings Planning Commission (CBPC) was called to order by Speaker Ben Lujan and Arturo Jaramillo, secretary of the general services, co-chairs, on January 12, 2007 at approximately 3:15 p.m. in Room 321 of the State Capitol.

PRESENT

- ◆ Representative Ben Lujan, Speaker of the House of Representatives, Co-Chair
- ◆ Arturo Jaramillo, Secretary, General Services Department (GSD), Co-Chair
- ◆ Senator Ben D. Altamirano
- ◆ Rick Martinez for Katherine B. Miller, Secretary, Department of Finance and Administration (DFA)
- ◆ Representative Thomas C. Taylor
- ◆ Stuart Ashman, Secretary, Cultural Affairs Department (CAD)
- ◆ Gary Giron for Rhonda Faught, Secretary, Department of Transportation (DOT)
- ◆ Della Gutierrez for Patrick Lyons, Commissioner of Public Lands, State Land Office (SLO)
- ◆ Arthur W. Pepin, Director, Administrative Office of the Courts (AOC)

ABSENT

- ◆ Senator Stuart Ingle

STAFF

- ◆ Paula Tackett, Director, Legislative Council Service (LCS)
- ◆ Roxanne Knight, LCS
- ◆ Gary Carlson, LCS
- ◆ Bill Taylor, Director, Property Control Division (PCD), GSD
- ◆ Larry Miller, PCD, GSD

Speaker Lujan and Secretary Jaramillo, co-chairs, welcomed commission members. Representative Thomas C. Taylor was appointed to replace Representative Ted Hobbs and Senator Ben D. Altamirano was appointed to fill the position held by Senator Joseph A. Fidel. Arthur W. Pepin joined the commission as the new director of the Administrative Office of the Courts.

The first order of business was the unanimous adoption of the August 30, 2006 minutes.

Status of Albuquerque Master Plan and Update of the Santa Fe Master Plan

John Petronis and Andy Aguilar, Architectural Research Consultants (ARC), updated the commission on the master plans for the Albuquerque metropolitan area and Santa Fe. They provided a summary handout and reviewed each page of the document (see the meeting file).

They reported that questionnaires and interviews for state departments and agencies have been completed for both areas. Summaries have been developed for existing space use, staffing, future programs and services, location and relationships and functional and physical issues.

The planners have developed the implications for the "super-complex" project in Santa Fe, prepared preliminary updates for each capitol campus and prepared the capitol parking structure siting analysis. The super-complex was proposed for the Valdes Industrial Park property on South Cerrillos Road; however, in the request for proposals (RFP) from PCD, the successful proposers are directed to evaluate and make preliminary recommendations on other locations as well as on the appropriateness of a super-complex.

For Albuquerque, the planners have completed site tours and collected necessary existing planning data, completed supply and demand analysis and planning opportunities and identified issues to be reviewed as part of the master planning process.

Additional studies have been conducted in response to directives received from the CBPC in the August 30, 2006 meeting. They include:

1. providing PCD with what is required to perform due diligence activities for the potential purchase of the Bank of the West building in Albuquerque;
2. providing a critical overview and evaluation of the "super block" complex at the YDDC site in Albuquerque with regard to potential state uses and investigating potentially new locations for the YDDC functions; and
3. providing an initial investigation on development options for state property in the Los Lunas area.

General goals of the Albuquerque area are to co-locate state agencies to achieve functional, operational and logistical efficiency and allow one-stop-shopping for services by the public (e.g., the super-block proposal and consolidation of agencies in the Bank of the West property); to realize economic efficiencies through promotion of economies of scale and asset sharing (e.g., parking, lobbies, receiving, meeting areas, teleconferencing, etc.); to reduce long-term leases; to reduce operational expenses; and to provide long-term asset value. The planners reported more specifically on the following projects.

- Bank of the West

This site, located at Central and San Mateo, accounts for approximately 20 percent of the total leased square feet (lsf) and cost in the Albuquerque area: on 11 acres and, as reported by the PCD staff, at an annual lease cost of \$3.1 million. The bulk of the space is for parking. There are currently seven owners of this property. There is additional land in the area, which might become available for purchase by the state. The bank site is for sale at \$30 million. Several questions have been raised as a result of initial due diligence, and they will need to be addressed.

The planners outlined the due diligence process, and acquiring the Bank of the West was endorsed by the CBPC, provided that the due diligence turns up no adverse factors that would militate against its purchase.

- Super Block Complex (YDDC site)

This site consists of two parcels, 76 and 15 acres, with 262,000 gsf occupied by correctional/treatment facilities. The planners have examined the potential of the site for meeting the goals of improving public accessibility, creating more common space, relieving crowded spaces in existing facilities and allowing agencies to vacate currently leased space. Although the positive aspects of the property include its proximity to the freeway and a rail line, there is no proposed rail stop planned for this location. There are some potential development and redevelopment options, but there are some weaknesses in the slope on the site and the age and condition of the facilities. Other negative aspects include the significant facility deficiencies identified (estimated costs exceed \$25 million) and the replacement costs for YDDC and Sequoyah, which could be \$65 million. Current correctional/treatment usage is probably not the best long-term land use for this site. Mr. Taylor noted that the site would require significant site work and cost in order to use the space. There has been some discussion with Bernalillo County about using the 15 acres of the western-most site for a retention pond.

The CBPC directed that more due diligence and master planning is needed. PCD staff also indicated that more staff resources would be needed at PCD to move forward on this project. ARC was directed to do more in-depth master planning for this site.

- Los Lunas Sites

PCD recommended that Los Lunas be considered in conjunction with the more detailed Albuquerque master plan of the YDDC site. There are 325,500 gsf on approximately 184 acres of the former hospital site, 280 acres of grasslands nearby and 1,000 acres of vacant New Mexico Corrections Department property. Most of the acreage at the former hospital site is vacant. There are significant facility deficiencies costing \$51.6 million, with a \$68.5 million replacement cost.

Both the super-block (YDDC) and Los Lunas sites have great long-term development potential. Further planning does require more in-depth analysis, and the CBPC wants to be sure that Los Lunas planning is incorporated and coordinated by the planners into the Albuquerque metropolitan area master planning related to the YDDC site.

The CBPC directed Mr. Petronis to prepare a cost proposal for the additional analysis, which needs to be reviewed to determine if sufficient funding is available or if an additional appropriation will be necessary during the 2007 legislative session.

- State Government Center (former Metropolitan Court)

This is a site (approximately 65,000 gsf on one acre) given to the state by Bernalillo County. Discussion by the CBPC noted that the facility is not one that the state would have been likely to purchase because of the high cost for renovation work and the shortage of parking (only 31 spaces). The state would have to invest approximately \$7 million in renovations to make it ready for tenants or it should consider divesting the property through a sale or trade. The facility is in a prime location with excellent access to courts and local government offices.

After commission members discussed the situation, it was determined that divesting or trading the property should be allowed, particularly if the state cannot find a lessee willing to lease the facility

"as is". Staff were directed to draft legislation authorizing the sale or trade of the property and to allow the lease of the property "as is".

- Las Cruces Metropolitan Area

Las Cruces shares similar issues with Albuquerque, including a significant amount of leased space for state government offices and a limited amount of state-owned facilities (e.g., 230,000 lsf costing \$1.8 million and ownership of 20,000 gsf at three facilities). A new state building is recommended for this area.

The CBPC supports legislation to expand its statutory authority to include the Las Cruces metropolitan area in order to examine and validate the state's capital needs in the state's third largest metropolitan area and coordinate potential funding with overall state goals. Staff were directed to draft the necessary legislation.

Capitol Campus Parking Structure Alternatives — Report

Mr. Petronis reviewed the handout on the main capitol campus parking structure, including various siting alternatives and associated capital costs, as well as future operating cost implications and a possible implementation schedule for construction. The site is west of the State Capitol between Don Gaspar and Galisteo streets. The options include size differences ranging from 400 to 600 car capacities. Other options take into consideration future buildings on the sites, vehicular access, visual impact on the capitol complex, buffer zones, construction costs and long-term maintenance and operational costs.

There was discussion about the need for expediency in the design, planning and construction of the parking complex, and Speaker Lujan asked if a three-dimensional artist rendition could be done to make selection easier for the CBPC. So far, \$8 million in funding is appropriated; however, an additional \$10-20 million would be needed to complete construction, depending on the design selected.

PCD was directed to proceed with the RFP for planning and design of the parking structure. At the request of Speaker Lujan, ARC planners were asked to prepare some preliminary three-dimensional artist renditions.

There was discussion about potential usage or operation of the structure by the city and county of Santa Fe. There was also discussion about other state entities proposing parking facilities.

Staff were directed to coordinate the commission's efforts with other entities.

Secretary Ashman raised a concern about temporary parking during the construction phase. Ms. Tackett noted that construction times need to take into consideration legislative session time frames.

Staff was directed to move forward on the analysis of the capital outlay funding in order to determine how to proceed with the funding request.

Property Updates and Project Status

Mr. Taylor provided an update on statewide property projects and concerns under the purview of the CBPC. The discussion is summarized below.

1. Property acquisition and disposition.

In Santa Fe:

PERA Building: PCD closed on the PERA purchase on December 1, 2006. The property now belongs to the state. Building Services Division (BSD) has taken full responsibility for operations of the facility and is working through the transition from PERA staff to GSD. This project is part of the capitol buildings master plan.

Coughlin Building: The property is being appraised, and it should be completed by mid-February 2007. PCD has submitted a capital improvement plan (CIP) for \$1.5 million to purchase the property. The purchase of this property will complete the central campus and free the state to redevelop that block. The property was appraised in 2000 at \$1.1 million and the current asking price is \$1.3 million. This project is part of the capitol buildings master plan.

Staff were directed to include this as part of the legislative recommendations endorsed by the CBPC.

West Capitol Campus Property: PCD is requesting funding of \$5 million to acquire approximately 11 acres of GSA and U.S. Forest Service property located at the west capitol campus location to allow the state to have a contiguous campus from Cerrillos Road to Siringo Road. This will also allow the state to build out facilities to move agencies from leased space to state-owned. Land acquisitions at the west capitol campus are part of the capitol buildings master plan recommendations.

The CBPC endorsed this proposal.

Galisteo Property: PCD acquired 5.611 acres of vacant property in 1996 for \$1.23 million. The property is located on South Galisteo Road in Santa Fe. A trade of 1.1 acres for office space was made with the district court. The remaining 4.5 acres are vacant and have a current estimated value of \$2.744 million. PCD does not have any current plans or direction for this property. The PCD recommendation is to trade or sell the property for property adjacent to existing state property in Santa Fe.

The CBPC indicated its support for this proposal, and directed staff to draft the appropriate legislation, leaving the final action of a trade or sale contingent upon CBPC review and approval.

In Albuquerque:

Albuquerque state government center (ASGC), the former old metro court: The title was transferred to PCD in 2005, once the new metro court was built. This is a multilevel facility consisting of 67,000 square feet of courtroom space with a 31-space parking lot. The facility is

currently vacant and offers minimal opportunity for state operations. PCD is requesting either funding to facilitate the renovations and build out the facility for occupancy or authorization to sell or trade the property.

The CBPC directed staff to draft legislation to authorize the sale or trade of the property or the lease of the property "as is".

Super block (YDDC site): Discussion from the last CBPC meeting was in the order of due diligence regarding the current use of the property as a correctional facility and plans for the possible location of a state campus for administrative and public services. Initially, extensive programming will be required to plan for the relocation of existing programs and change in use of the property. PCD does not currently have the resources to perform this action and recommends funding for the development of a master plan for that site.

Bank of the West: PCD included a CIP request during the 2007 session for \$36 million to acquire the Bank of the West property. The current appraised value is \$34.6 million. The state is currently paying \$3.1 million in annual rent for office space and storage at this facility. There is 26,731 square feet of space that is vacant and available and only 4,000 square feet of that space is leased to non-state entities with one- to five-year options. Mr. Taylor noted that the landlords put on a new roof in November 2005 and replaced the chiller system for an estimated \$500,000. PCD is just starting due diligence.

The CBPC directed the continuance of due diligence, with PCD needing to determine if additional resources are needed for this purpose.

2. Projects related to the master plan:

In Santa Fe:

Super complex: PCD has contracted with SMPC AE firm for the programming phase for the super complex in Santa Fe. The Valdes Industrial Park property was the initial prime location for the complex; however, the AE will perform due diligence to determine the best location for the complex. Other locations could be presented as recommendations. One million eight hundred thousand dollars is currently appropriated for this project, which should fund the first phase of programming. GSD/PCD will be requesting \$80 million from the 2008, 2009 and 2010 legislative sessions.

In Albuquerque:

State scientific lab: PCD is requesting \$30 million to complete the construction of the new state scientific lab on the University of New Mexico (UNM) campus in Albuquerque. The project is currently in the design development phase and is expected to be bid in September 2007. The funding shortfall is primarily due to the escalation in construction costs over the last two years. In addition, the site location is off the UNM grid, and the facility will have to provide its own power

plant. The project will need appropriate certifications to meet the Governor's Executive Order 2006-001 to reach 50 percent energy efficiency, which was not originally planned for the facility. The lab will be approximately 185,000 square feet with BSL 3 Lab capability to meet certification requirements and to provide for worker and public safety. Mr. Taylor noted that this is a critical project to fund.

The CBPC endorsed this project and the funding for its completion.

Las Cruces:

State office building: PCD is requesting \$40 million to acquire land, design, equip and construct a new state office building located in downtown Las Cruces.

The CBPC endorsed the need to include Las Cruces as part of the state's master planning.

Los Lunas Campus:

Mr. Taylor discussed the relocation of Department of Health operations, and briefly mentioned the need for including this within the Albuquerque metropolitan area master planning efforts.

Mr. Taylor noted that PCD is asking for three additional employees and \$191,300 to expand its operating budget and address future project needs.

The CBPC endorsed the funding request for additional staff in PCD.

Representative Taylor asked Mr. Taylor about the follow-up request made in the August 30, 2006 meeting by Senator Ingle with regard to the Department of Transportation's (DOT) transit-oriented development project on the DOT site near Cerrillos and Cordova roads in Santa Fe.

As noted in the August 30, 2006 minutes of the CBPC, the DOT has proposed that it will provide the developer access to the existing general office property site for developing a new general office facility at the site and a multimodal transportation facility with a commuter rail train station and the ability to accommodate bus, vehicle, pedestrian and bicycle traffic parking and in exchange for up to \$90 million. DOT will allow the developer to create a master plan and develop the entire property for retail and other commercial use.

Deputy Secretary Giron responded that an RFP was issued on November 17, 2005 and that SDF Development Group, owned by Gerald Peters, has received the award. The first meeting was held on January 4, 2007, and the target date for the contract is March 15, 2007. Representative Taylor asked about the plans to connect the rail station to the capitol complex, and Lawrence Barreras from DOT responded that there are ongoing discussions with the City of Santa Fe. In response to questions, Deputy Secretary Giron said that the buildings at DOT will be razed and replaced.

Proposed Legislation

Mr. Carlson and Ms. Tackett reviewed a bill draft (202.164763.2) that requires the approval of the legislature for state agencies to enter into certain lease-purchase agreements, and that requires, in certain cases, that the titles to property be issued in the name of the PCD. This legislation is

necessary to establish a procedure for lease-purchase of buildings for the state, as was authorized in Constitutional Amendment 2 in the 2006 general election.

The CBPC endorsed this legislation and directed staff to proceed with it.

Annual Report

The CBPC approved the draft annual report in concept and directed staff to finalize the document.

Public Comment

There was no public comment offered.

Other Business

There was no other business discussed.

The CBPC adjourned at 5:20 p.m.

**MINUTES
of the
FIRST INTERIM MEETING
of the
CAPITOL BUILDINGS PLANNING COMMISSION**

**May 21, 2007
Room 321, State Capitol
Santa Fe**

The first 2007 interim meeting of the Capitol Buildings Planning Commission (CBPC) was called to order by Speaker Ben Lujan and Secretary Arturo Jaramillo, co-chairs, on May 21, 2007 at approximately 1:20 p.m. in Room 321 of the State Capitol in Santa Fe.

PRESENT

- ◆ Representative Ben Lujan, Speaker of the House of Representatives, Co-Chair
- ◆ Arturo Jaramillo, Secretary, General Services Department (GSD), Co-Chair
- ◆ Senator Ben D. Altamirano, President Pro Tempore
- ◆ Katherine B. Miller, Secretary, Department of Finance and Administration (DFA)
- ◆ Representative Thomas C. Taylor
- ◆ Administrative Services Division Director Emilio Martinez, designee for Stuart Ashman, Secretary, Cultural Affairs Department (CAD)
 - ◆ Deputy Secretary Gary Giron, designee for Rhonda Faught, Secretary, Department of Transportation (DOT)
 - ◆ Joyce Pankey, designee for Patrick Lyons, Commissioner of Public Lands, State Land Office (SLO)
 - ◆ Deputy Director Jeff Varela, designee for Arthur W. Pepin, Director, Administrative Office of the Courts (AOC)
 - ◆ Senator Stuart Ingle, Minority Leader
 - ◆ Chief Operations Officer Clarence Smith, designee for James B. Lewis, Treasurer, State Treasurer's Office

STAFF

- ◆ Paula Tackett, Director, Legislative Council Service (LCS)
- ◆ Roxanne Knight, LCS
- ◆ Anesa Serna-Espinoza, LCS
- ◆ Bill Taylor, Director, Property Control Division (PCD), GSD

Guests

The guest list is in the meeting file.

Copies of all handouts and written testimony are in the meeting file.

Monday, May 21

Welcome and Introductions

Speaker Lujan and Secretary Jaramillo, co-chairs, welcomed commission members. Mr. Lewis, the recently elected state treasurer, was added to the commission's membership during the

2007 legislative session by Senate Bill 1061, Laws 2007, Chapter 64; however, he was unable to attend and had Mr. Smith attend on his behalf.

The first order of business was the unanimous adoption of the January 12, 2007 minutes.

Update on CBPC Legislative Initiatives

Ms. Tackett presented to the commission the following legislative updates from the 2007 session that were signed into law.

- **Lease-purchase legislation (HB 1022, Laws 2007, Chapter 64)**

Ms. Tackett explained that House Bill 1022, sponsored by Speaker Lujan, established a procedure through enabling legislation for the lease purchase of buildings for the state, as was authorized in Constitutional Amendment 2 in the 2006 general election. More specifically, the bill requires the approval of the legislature for state agencies to enter into certain financing agreements, and it requires that certain titles to property be issued in the name of the PCD when the state agency entering into the agreement is subject to the jurisdiction of the PCD pursuant to the Property Control Act. However, legislative ratification does not create a legal obligation for the state agency to continue the lease from year to year or to purchase the real property. It is anticipated that the lease-purchase agreements will ultimately provide another financing option for the construction and purchase of state facilities. This bill does not include state educational institutions or public schools, including state-chartered charter schools; they are handled in other enabling legislation.

- **Capitol North renovations (HB 1137, Laws 2007, Chapter 192)**

Ms. Tackett then informed the commission of the \$4.5 million in appropriations made in House Bill 1137 from the Capitol Buildings Repair Fund and legislative cash balances for planning, designing, constructing and renovating the Capitol North and for limited renovations at the Capitol. This legislation addresses immediate space needs and provides for the development of long-range space plans for all of the agencies at the Capitol and Capitol North.

- **CBPC membership; expanded authority to Las Cruces (SB 1061, Laws 2007, Chapter 64)**

Senate Bill 1061 expands the long-range facility needs master planning authority of the commission and provides that the commission will oversee master planning of state capital needs in Las Cruces and will conduct a review of state properties throughout New Mexico for the development of an overall master plan.

The bill also adds the state treasurer as a member of the commission.

This bill increases the State Building Bonding Act capacity to \$100 million (it formerly was \$90 million) secured by a \$530,000 monthly distribution of state gross receipts taxes (an increase of \$30,000 per month or \$360,000 per year) to the State Building Bonding Fund. It provides capacity to complete the state "tri-lab" in Bernalillo County and to purchase the Coughlin Building within the Central Capitol Complex, which will round out the property at the Main Capitol Complex.

Ms. Tackett explained that the bill removed the current expenditure cap on the tri-lab, which will allow for more funding from the added bonding capacity.

Senate Bill 1061 provides that the state office building tax revenue bonds outstanding at any one time shall not exceed \$100 million.

Appropriations made in the bill consist of \$350,000 of the bond proceeds to the LCS for expenditure through fiscal year 2009 for the master planning process for state facilities, which will be undertaken by the CBPC. Balances remaining after fiscal year 2009 revert to the State Building Bonding Fund. An additional \$11 million in severance tax bond funding goes to PCD for expenditure in fiscal years 2007 through 2011 for the tri-lab land purchase and construction; \$1.5 million from the Property Control Reserve Fund and \$3.5 million from the Public Buildings Repair Fund for the purchase of federally owned property within the West Capitol Complex; and \$1 million from the general fund for the state laboratory.

New Mexico Finance Authority Update on Financing for Projects

Ms. Tackett introduced William C. "Bill" Sisneros, chief executive officer of the New Mexico Finance Authority (NMFA), who explained the sources and uses of the NMFA funds in Senate Bill 1061.

Mr. Sisneros discussed the effect of the bill on the revenue stream, which increases the monthly distribution from state gross receipts tax (GRT) by \$30,000 or \$360,000 per year more to the State Building Bonding Fund. With the revenue increase, bonding capacity is increased by \$10 million (from \$90 million to \$100 million). This changes the funding authority into a revolving line of authority when principal is paid and capacity is opened up.

Mr. Sisneros explained that the bonds from GRT intercept prior to Senate Bill 1061 provided \$90 million of bond authority for: 1) the PERA Building purchase; 2) the NEA Building; 3) the purchase of land at the Jaguar property; and 4) the South Capitol Complex. Approximately \$58.2 million of authority has been used for bond issues, in which \$31 million of used capacity existed. With the existing capacity and the additional \$10 million of new bond authority from Senate Bill 1061, the capacity is almost reaching \$42 million, which will be used for the state labs and other projects.

Mr. Sisneros reviewed the various revenue sources that will be used for construction of the state labs project, which is estimated to cost \$86 million:

- \$11.1 million from prior special appropriations to the Department of Health (DOH);
- \$17 million from the severance tax, SWEEP;
- the DOH share of cigarette tax bonds consisting of \$13.7 million;
- cash accumulated from cigarette taxes of \$6.5 million;
- the state GRT bond existing capacity of \$18.8 million;
- Senate Bill 1061 new bond capacity of \$7.9 million; and
- the Senate Bill 1061 severance tax bonds (STB) appropriation of \$11 million.

Other projects he reviewed were the Capitol Campus parking structure, which has an estimated cost of \$11.5 million. Funding sources for the parking structure come from existing bonding authority. The estimated cost of \$1.5 million for purchase of the Coughlin Building is to be funded from the additional bonding authority.

Other appropriations from Senate Bill 1061 to the PCD included \$1.5 million from the Property Control Reserve Fund and \$3.5 million from the Public Buildings Repair Fund for acquisition of

the property within the West Capitol Complex. Additionally, \$1 million was appropriated from the general fund to the PCD for plan and design of a state police crime lab in Albuquerque.

Senator Altamirano asked whether the NMFA had automatic inflationary adjustments built into the project funding, to which Mr. Sisneros responded that the NMFA does not. Increased costs have to be addressed through the appropriation process, and Ms. Tackett explained that future capacity would have to go to projects approved by the commission.

PCD Legislative Update on CBPC Resolutions and Related Items

Mr. Taylor informed the commission of the joint resolutions passed during the 2007 session.

- **HJR 8 - Sale of property on Galisteo**

The property on Galisteo is no longer needed for the original intent of a state library, archives and records center, so it may now be sold or traded for real estate more advantageous for state use. Proceeds of the sale can be used to acquire other property. Prior to any sale or trade of the property, the action must be approved by the CBPC.

When questioned about the reasons for agencies not wanting to locate to the Galisteo property, Mr. Taylor informed the commission of problems with congestion and traffic in that area.

- **HJR 14 - Youth Diagnostic and Development Center (YDDC) land near Edith Boulevard; lease, sell or trade**

House Joint Resolution 14 authorizes and directs the GSD to take certain actions in connection with state-owned property in Bernalillo County to ensure that the widening of Edith Boulevard proceeds. The GSD is authorized to lease the property for up to five years to Bernalillo County while the county negotiates an exchange for or purchase of the property. Under the terms of the lease, the county is allowed to construct a water-detention pond on the property. The GSD is authorized to sell, lease or exchange the property, subject to approval of the CBPC.

- **SJR 16 - Old Metro Court**

Mr. Taylor explained that Senate Joint Resolution 16 ratifies and approves the lease, sale or trade of real property in Bernalillo County known as "Albuquerque Government Center" or "Old Metro Court". The property is not needed by the state for any purpose and should be leased, traded or sold. The PCD is authorized to lease the property at 401 Roma Avenue NW in Albuquerque for a term of more than 25 years. If the PCD is unable to lease the property "as is", the division may trade or sell it. The property may not be leased, sold or traded until the sale or trade has been reviewed by the CBPC. The PCD has prepared, and is in the process of issuing, a letter of interest this week to parties of interest in leasing the surplus state property. Speaker Lujan indicated his support for generating revenue from this property.

- **SJR 13 - Las Cruces property**

Senate Joint Resolution 13 grants approval to sell land in Las Cruces owned by the PCD on behalf of the Workers' Compensation Administration (WCA) or to exchange the land for land owned by the City of Las Cruces in Dona Ana County. Mr. Taylor stated that the property located in downtown Las Cruces was purchased by the PCD from the WCA Fund to acquire land. As part of the city's downtown revitalization efforts, the City of Las Cruces has expressed an interest in acquiring the property. The WCA in Las Cruces may be co-located with other state agencies in a state office building, and funds appropriated to house the WCA in Las Cruces may contribute to a state office building.

- **PCD - Additional budget and staffing request for capital projects**

Mr. Taylor reported that the 2007 legislative session resulted in an increase to the PCD's operating budget of \$450,000 and an increase of two full-time employees (FTE) to the division. The two additional FTEs are identified as a program manager and a management analyst. The program manager's task will primarily include the support of the Facility Focus Project Management Software, which is in the implementation stage at the PCD. The management analyst will be tasked with developing proper and best practices for project and property processes within the division and the department. Both positions will assist and support project data collection in the implementation of the master plan. Senate Bill 555, passed this session, changes the procurement statute as it relates to the PCD. The PCD is now authorized to proceed with multiple awards through the architectural or engineering design selection process. The legislature increased small purchase contracts for professional services from \$25,000 to \$50,000 and it only requires State Board of Finance (SBOF) approval of construction contracts that are over \$500,000, thus allowing the PCD to proceed more quickly on contracts under \$500,000.

Status of Albuquerque and Los Lunas Master Plan

John Petronis and Andy Aguilar of Architectural Research Consultants (ARC) presented to the commission an updated status report of the Capitol Buildings Master Plan. They reviewed the handout on the Los Lunas and Albuquerque site analyses.

They began by identifying the sites in the study that include: 1) the Super Block Complex located at the YDDC site; and 2) the grasslands, Los Lunas Hospital and corrections lands in Los Lunas.

They explained the criteria used for the development analyses, which consist of answering two strategic questions: 1) are the sites being used to their highest potential use; and 2) what should be the long-term strategy for site use and reinvestment? Questions to be answered for data gathering include: 1) what are the condition and capacity of sites for current and possible future uses; 2) does the current and projected future context support current use or suggest alternative uses; and 3) what are current and future demand characteristics of programs occupying the sites?

There was considerable discussion among the commission members about the water rights issues in Los Lunas and whether interchanges and overpasses had been funded through either GRIP I or GRIP II. The co-chairs and Senator Ingle requested follow-up to address these concerns. Also, Deputy Secretary Giron stated that he would report back to the commission on matters relating to the DOT.

- **Super Block Complex (YDDC and Edith Boulevard site)**

Issues identified with the Super Block (YDDC) site in Albuquerque include multiple users, e.g., Children, Youth and Families Department (CYFD), DOH, New Mexico Corrections Department (NMCD) and DOT, and their uses of the site as a secure treatment, corrections, administrative and maintenance facilities. The majority of the buildings are in fair or poor condition based on the 3DI facility assessment. The complex is in a commercial and industrial area where developments will eventually encroach on the site, which is adjacent to the interstate and to rail lines. The Super Block Complex has the potential to be an Albuquerque state campus.

The issues with the Super Block Complex at the Edith Boulevard site are its current and planned uses. It is largely vacant and provides a temporary facility to house a training program for

the Girl's Reintegration Program. In recent agreements reached with Bernalillo County, a retention pond will be constructed on the western portion of the property. A right of way has been given to the county for access on the northeastern boundary. The Edith Boulevard site has limited land available for permanent facilities and a Rail Runner station or support for Super Block functions. House Joint Resolution 14 authorizes a lease not to exceed five years for Bernalillo County to negotiate an exchange or purchase of the western portion of the property at YDDC.

- **Los Lunas (grasslands, Los Lunas Hospital and corrections lands)**

The grasslands site in Los Lunas, as explained by Mr. Petronis, is vacant land of about 288 acres and possesses a long-term asset with water rights. It is in a fast-growing area of Los Lunas with I-25 and Highway 314 adjacent to the property and planned communities on the south. It is identified as an area with a strong potential for sale or lease to commercial interests.

Speaker Lujan inquired about the water rights belonging to the state in this area and asked that those be identified and that the information be made available to the commissioners before the next CBPC meeting. Mr. Taylor responded that the PCD is working with the Office of the State Engineer to obtain the information.

The Los Lunas Hospital site was broken down into three portions: 1) the western portion is vacant, developable land; 2) the central portion is the former hospital complex occupied by multiple state users; and 3) the eastern section is leased to others. Issues with the site include that the majority of the hospital, or 85 percent of the facilities, should be demolished. The site is more dense than the residential and commercial area of the Village of Los Lunas. It lies adjacent to Main Street (Highway 60) bordering on the south side. Its proposed use is for a behavioral health program, which received funding in the 2007 legislative session. Suggested potential for the site would be to sell or lease to commercial interests or redevelop it as a state campus.

Some land at the corrections site in Los Lunas is used by others for agricultural, recreational, maintenance and village uses and for the county courthouse. Previously, this was a remote facility, but development is encroaching on the site. Because it is adjacent to I-25 and Highway 314, it has potential for a highway interchange.

Senator Ingle inquired about the interchanges in Los Lunas and whether they had been funded. Secretary Miller indicated that GRIP funding was given to Los Lunas for the planning and design of an overpass and that a direct appropriation of \$1.2 million had been made as well. Deputy Secretary Giron offered to provide an update on this at the next meeting.

Mr. Petronis and Mr. Aguilar informed the commission that further analysis is necessary to understand the needs of the tenants and the gaps not filled with the current facilities. ARC needs to evaluate the best site strategy for the state, which might involve either reinvesting in the various current uses of the site or in changing to other uses. ARC will make recommendations for short- and long-term actions and capital investment.

- **Asset management system**

Mr. Petronis and Mr. Aguilar stated that they are working with the PCD to integrate facility data into a dynamic asset management system. The PCD and the Building Services Division (BSD) recently purchased Maximus Facility Focus Asset Management Software. It is a web-based system that will integrate data regarding leases, owned buildings, maintenance and project management for PCD-controlled buildings, and other modules can be added in the future. ARC's

web-based system tracks functional data based on questionnaires and interviews and integrates owned and leased data for PCD and non-PCD facilities.

- **3-D of Capitol parking garage**

At the request made during the last CBPC meeting on January 12, 2007, the ARC planners presented a three-dimensional rendition of the possible options for the Capitol Campus parking structure (see meeting file).

Capitol Campus Parking Structure

Mr. Taylor informed the commission that the PCD has drafted and is recommending to the CBPC to proceed with a design-build request for proposals (RFP) for the Capitol Campus parking structure. The PCD is working with LCS staff on the development of this RFP. Although the PCD has not used design-build project delivery methods in the past, there are a number of reasons for use of this process:

1. the parking structure would be a simple enough case for the design-build delivery tool;
2. this process would save time; and
3. money could be saved through time of delivery. By networking with public schools and the University of New Mexico (UNM) and by looking at other states' experiences, the PCD has examined this process and knows what will be required.

Committee discussions resulted in above-ground parking being the favored choice, partially because it would cost less than going underground. The concern for archaeological finds would be greater going underground, but Mr. Taylor stated that construction has been done in that area before, so there is less concern about going underground than in other downtown locations. The project would need to be started and completed between legislative sessions with a completion target date of December 2008. Mr. Taylor informed the commission that the current buildings adjacent to the location of the structure would not need to be torn down before the parking structure is built depending upon what option is chosen. There would be a temporary displacement of parking spaces for staff, which may have to be accommodated by a shuttle or van service during construction.

Ms. Tackett clarified that the funding was based on at least 400 spaces and that for the initial construction, it is not necessary to have a master plan. Mr. Taylor explained that the RFP is for a "site assessment", not for master planning.

Property Updates and Project Status

- **Coughlin property purchase**

Mr. Taylor reported that the PCD has requested \$1.5 million this session to acquire the Coughlin property, located at the Central Capitol Campus, which request was funded by the legislature. The PCD is in negotiations with Roberta Coughlin's attorney, Stuart Stein. They are in the process of drafting the purchase agreement. The negotiated sale is for \$1.3 million with the state paying all closing costs except property taxes. Speaker Lujan questioned why the state is paying the closing costs. Mr. Taylor informed him that they are working on trying to split the costs, but the commission directed Mr. Taylor to pursue the seller in paying the closing costs.

- **West Capitol Campus property**

The PCD is working with United States Senator Jeff Bingaman's Office and the United States General Services Administration (GSA) for the two-acre parcel located across from T-187 at the West Capitol Campus. The GSA has received authorization to sell the property. The PCD is

proceeding with the property appraisal. An additional 11 acres owned by the United States Forest Service (USFS) will require letters of interest to the senator and the USFS from the PCD that support congressional authorization to sell the property and funding for relocation of the federal firefighters.

- **Bank of the West — due diligence**

The PCD requested funding for the acquisition of this property but was denied. The owner and the PCD are still interested and willing to continue negotiations for the property. Due to the lack of funding for this acquisition project, the PCD has not initiated an assessment of the owner's appraisal and building assessment. Mr. Taylor received the commission's permission to continue to work with the landowner on the property. In response to Senator Ingle, Mr. Taylor indicated that the offer from the landowner might be high. Speaker Lujan suggested that the YODC Candaleria property be considered first and that a comparison be done of building a new facility versus buying an old facility.

- **Albuquerque scientific laboratory update**

The project is entering into the final design phases. The bid documents are scheduled for completion by the end of September 2007. The project is scheduled to bid November 1. The bid will be a qualification/cost-based selection. The DOT has approved the frontage road access from the lab site to I-25.

- **Multi-agency campus complex in Santa Fe (Super Complex)**

This project is the design of a multiagency campus complex that will house multiple health agencies in Santa Fe. Funding for this project was for programming and schematics. The PCD has not been successful in securing any additional funding for this project in either 2006 or 2007. Site locations under consideration for this complex in order of priority are the newly purchased 14 acres located in Valdes Industrial Park, West Capitol Campus and South Capitol Campus. The South Capitol Campus is under consideration due to the fact that this location will be the main stop for the Rail Runner as the DOT project proceeds. Mr. Taylor further noted that there is one site assessment that will be considered, and it is not currently owned by the state.

Commission members expressed some concern about the size and height limits imposed on buildings in Santa Fe. Also, Mr. Petronis noted that inflationary costs run four to six percent per year.

- **Other items**

The PCD has hired a new staff architect for the division. Her name is Lemoyne Blackshear. She is a registered architect and environmental manager with 25 years of documented success in large-scale management of high-dollar, environmental and architectural projects in the United States and overseas. She has recently retired at the rank of full colonel after serving 25 years in the United States Air Force. Ms. Blackshear will begin her employment with the state on July 1, 2007.

New Mexico Department of Transportation — Updates

- **Headquarters in Santa Fe**

Deputy Secretary Giron stated that there are two offerors who met the submission criteria for the DOT general office transit oriented development project. The number-one rated offeror, Santa Fe Properties Development, is in negotiations with the department, and Deputy Secretary Giron noted that if the negotiations fail, the department will start negotiating with the second offeror, Hunt Development. The targeted time line for a contract is June 30, 2007.

Senator Altamirano passed out a diagram of the rail stop to be constructed at the DOT headquarters. Deputy Secretary Giron explained that the document being referenced by the senator is no longer the plan, but that final plans are still under negotiation and could not yet be made public. He did say that the overall mix and density of the project have not changed.

It was clarified by Deputy Secretary Giron that, although there are expected to be 2,500 to 2,800 parking spaces in the future plans, those plans do not include the use of the DOT parking spaces for the other state offices located between the tracks and St. Francis Drive.

Secretary Jaramillo expressed his concern that additional parking, possibly through the construction of a new parking structure near the Simms and Montoya buildings, needs to be considered for the future.

There was discussion among the commission members about the need for the DOT to address the funding shortfall for that project. It was noted by Deputy Secretary Giron that DOT still intends to have the Rail Runner station ready by next year when the tracks are done. He also said he would make a full presentation after the negotiations are complete. When asked about who will oversee the project, Deputy Secretary Giron said that the DOT would oversee the construction of the headquarters, but the remainder of the commercial project would be overseen by others. On May 18, an RFP was issued for a construction manager.

- **District 5 office move and water rights**

Deputy Secretary Giron stated that the RFPs on the District 5 Office move had been canceled on March 20, 2007 because the proposals were nonresponsive. A new RFP is to be issued.

Future Meeting Dates

The commission unanimously adopted the following proposed dates and times for the next CBPC meetings: Tuesday, August 21, at 9:00 a.m.; Monday, September 24, at 1:30 p.m.; and Monday, November 19, at 10:00 a.m.

Future Agenda Items

The commission will plan to hear from the State Land Office on master planning initiatives at a future CBPC meeting.

Public Comment

There was no public comment offered.

Other Business

There was no other business discussed.

The CBPC adjourned at 3:00 p.m.

2007 LEGISLATIVE INITIATIVES

Approved by the Capitol Buildings Planning Commission

January 2007

1. CAPITOL BUILDINGS PLANNING COMMISSION (CBPC). Amend the statute authorizing the CBPC to extend the commission's authority to include Las Cruces and other areas in the overall master plan. Appropriate \$350,000 to fund the continuation of master planning for state-owned facilities. **ADOPTED IN SB 1061 (INGLE), CHAPTER 64. FUNDING IS FROM BOND REVENUE.**
2. LEASE-PURCHASE ENABLING LEGISLATION. Support enabling legislation to implement the provisions of Constitutional Amendment Number 2 (2006), which authorizes the state to enter into lease-purchase agreements. **ADOPTED IN HB 1022 (LUJAN), CHAPTER 184.**
3. GALISTEO ROAD PROPERTY, SANTA FE. Support legislation authorizing the sale or trade of the Galisteo Road property for another property adjacent to existing state property in Santa Fe and contingent upon review and approval by the CBPC. **ADOPTED IN HJR 8 (LUJAN).**
4. ALBUQUERQUE STATE GOVERNMENT CENTER. Support legislation authorizing the lease of the property "as is" or the sale or trade of the property. **ADOPTED IN SJR 16 (ALTAMIRANO).**
5. COUGHLIN BUILDING, SANTA FE. Support the executive's and the LFC's recommendations to appropriate \$1.5 million from the general fund to purchase the only site not owned by the state on the capitol campus where a potential parking structure would go west of the State Capitol. **ADOPTED IN SB 1061 (INGLE), CHAPTER 64. FUNDING IS FROM BOND REVENUE.**
6. CAPITOL CAMPUS PARKING STRUCTURE, SANTA FE. Appropriate funding to complete the planning, design and construction of a capitol campus parking structure. **ADOPTED IN SB 1061 (INGLE), CHAPTER 64.**
7. WEST CAPITOL CAMPUS PROPERTY, SANTA FE. Appropriate \$5 million from the general fund to acquire approximately 11 acres of U.S. GSA and U.S. Forest Service property located at the west campus location to allow the state to have a contiguous campus from Cerrillos Road to Siringo Road in Santa Fe. **ADOPTED IN SB 1061 (INGLE), CHAPTER 64.**
8. PROPERTY CONTROL DIVISION. Support the LFC's recommendation for an appropriation of \$191,300 from the general fund to the PCD of the GSD for FY08 to establish a master planning and asset management function (3.00 FTE additional) for the needs of the state government facilities under the purview of the CBPC and to obtain associated hardware and software to maintain an updated master plan. **PARTIALLY ADOPTED IN HB 2.**
9. SCIENTIFIC LABORATORY (TRI-LAB), ALBUQUERQUE. Endorse the funding for the completion of the facility (\$30 million). **ADOPTED FUNDING MECHANISM IN SB 1061 (INGLE), CHAPTER 64.**

**MINUTES
of the
SECOND INTERIM MEETING
of the
CAPITOL BUILDINGS PLANNING COMMISSION**

**August 21, 2007
Room 321, State Capitol
Santa Fe**

The August 2007 interim meeting of the Capitol Buildings Planning Commission (CBPC) was called to order by Secretary Arturo Jaramillo and Speaker Ben Lujan, co-chairs, on August 21, 2007 at approximately 9:20 a.m. in Room 321 of the State Capitol in Santa Fe.

Present

Rep. Ben Lujan, Co-Chair
Arturo Jaramillo, Secretary, General Services
Department (GSD), Co-Chair
Sen. Ben D. Altamirano
Stuart Ashman, Secretary,
Cultural Affairs Department (CAD)
Deputy Secretary Gary Giron, Designee for
Rhonda Faught, Secretary, Department
of Transportation (DOT)
James B. Lewis, Treasurer, State Treasurer's
Office
Patrick Lyons, Commissioner of Public
Lands, State Land Office (SLO);
Joyce Pankey, Designee, SLO
Katherine B. Miller, Secretary, Department of
Finance and Administration (DFA)
Arthur W. Pepin, Director, Administrative
Office of the Courts (AOC)
Rep. Thomas C. Taylor

Absent

Sen. Stuart Ingle

Staff

Paula Tackett, Director, Legislative Council Service (LCS)
Roxanne Knight, LCS
Jacob Winowich, LCS
Bill Taylor, Director, Property Control Division (PCD), GSD
Lemoyne Blackshear, PCD, GSD

Guests

The guest list is in the meeting file.

Copies of all handouts and written testimony are in the meeting file.

Tuesday, August 21

Welcome and Introductions

Speaker Lujan and Secretary Jaramillo welcomed commission members. The first order of business was the unanimous adoption of the May 21, 2007 minutes.

Introduction of New State Architect Lemoyne Blackshear

Mr. Taylor introduced Ms. Blackshear to the commission members.

Master Planning Process (Brief Overview) and Updates

John Petronis and Andy Aguilar, Architectural Research Consultants (ARC), gave an overview of the creation of the CBPC and capitol buildings master planning efforts since 1997. They introduced new staff members for ARC that will be assisting with the master planning process.

The initial plan for state-owned facilities in Santa Fe was initiated in 1998 and adopted by the CBPC in 2000. An overview of the Albuquerque metro area was developed in 2003. An update to the Santa Fe plan was initiated in 2006 and is ongoing. An initial plan for the Las Cruces area and for a review of state properties throughout the state for the development of an overall master plan was authorized in the 2007 legislative session.

Master planning accomplishments include the establishment of general goals for the location, operation and logistical efficiency of facilities as well as convenient access to services by the public. ARC staff reviewed the planning challenges, which include short-term budget cycles versus long-term facility needs, identifying and integrating agency program requirements and considering resource allocation priorities within the capital outlay process.

Important planning questions that need to be answered by state governmental entities in all branches of government include:

- types of facilities needed to support agency missions;
- physical or functional issues with current facilities and locations that may be impeding the agency or organizational unit's ability to fulfill its functions; and
- programmatic changes that may affect the agency's need for facilities in the next five to 10 years.

Although the list is not inclusive of all questions, it does contain the ones the commission would like state agencies to address during future presentations to the CBPC and to assist the master planners in the completion of future master plan updates.

Ms. Tackett reported to the commission that additional master planning funds in the sum of \$350,000 for FY07 through FY09 were appropriated by the state legislature in 2007.

Children, Youth and Families Department (CYFD), Master Planning and Facilities Overview

CYFD Secretary Dorian Dodson and Deputy Secretary Danny Sandoval reviewed their handout on the facility needs of the CYFD. Secretary Dodson asked the commission to consider the environment of juvenile justice facilities because the look and feel of them is very important to the recovery of children placed with the CYFD. She gave a brief description of the types and locations of juvenile facilities, underscoring the need for more, yet smaller, facilities to serve the needs of the eastern and western areas of New Mexico. Clearly, from her presentation, it was noted that most facilities currently are located within the Rio Grande corridor and primarily in the northern and southern areas of the state. After reviewing the CYFD facility client profile, services and goals, Secretary Dodson stressed that keeping children closer to their communities results in better reintegration, better treatment and more community involvement.

She stated that the CYFD population has been under 300 for some time (currently 245 males and 30 females), and she stressed that reintegration is critical to preventing relapses among the CYFD youth. She called for a "softening" of correctional facilities to be more reflective of a rehabilitative model versus a jail model. She noted that different populations can drive a need for population-specific beds; in other words, a "bed" is not just a "bed", but that certain populations (e.g., male versus female) may require different types of beds.

Eighty to 85% of the facility clients are presenting substance abuse or behavioral health issues. The majority of clients are significantly behind in their education, and 35% to 60% have special education needs. Five percent have significant mental health and medical needs. Many children in the CYFD have never had medical or dental care and monitoring prior to becoming CYFD clients.

Secretary Dodson reported that the J. Paul Taylor facility is the newest; however, it was not sufficiently funded, according to the secretary. Deputy Secretary Sandoval said it was an ongoing challenge to maintain and update the CYFD facilities. Its funding requests for long-term facility needs include maintenance support, replacing and refurbishing facilities to improve medical and behavioral health care and building or remodeling for 10- to-12 bed living units at the Youth Diagnostic and Development Center (YDDC) in support of the best practice "Missouri" model, with a move toward regional, smaller facilities; however, the agency's focus is to remain on "front-end" services, such as prevention and diversion, by continuing to work closely with the courts and judges.

Senator Altamirano asked if there were entities that have oversight functions relating to the CYFD. Secretary Dodson responded that the CYFD is accountable to various entities for things such as facilities compliance, report cards and accountability to the legislature and to the federal government for some programs, to name a few. Speaker Lujan asked about the capacity of the Springer facility. The secretary reported that the only facility being used by the CYFD at Springer has a capacity for 20, but that it does not have kitchen or dining facilities, so the New Mexico Corrections Department (NMCD) food service contractor brings meals in hot trays to the CYFD facility. In response to Representative Taylor, Secretary Dodson said that the number of youth committed was down 50% from the 1990s, when the population was around 600. She said there has been a more recent 10% increase.

The secretary extended an invitation to commission members to visit the CYFD facilities and programs.

Water Rights — Los Lunas and Santa Fe State Properties

State Engineer John D'Antonio and Water Resource Program Director John Romero reviewed the mission of the Office of the State Engineer (OSE) and New Mexico water rights administration. Because they had been invited to help clarify concerns about water rights on Los Lunas and Santa Fe state properties (including DOT properties), the state engineer reviewed the water right application process as one component of his presentation. Mr. D'Antonio referenced Section 72-5-38 NMSA 1978, which provides that water rights held by the State of New Mexico for the purpose of construction, reconstruction, maintenance or repair of roads, streets, highways and airports are not subject to forfeiture or loss for failure to use all or part of such water rights beneficially.

Mr. Romero gave a summary of the water rights held by the state for the Los Lunas properties at the hospital and training school as well as the grasslands area. There are two declarations: R.-1436 and R.-5847. Water rights are in the name of the PCD and are detailed as follows:

Declaration R.-1436

- filed on November 20, 1957 with a priority date of 1947;
- 200 acres of land with appurtenant water rights for irrigation purposes;
- 600 acre-feet per year for irrigation (diversion amount);
- 420 acre-feet per year for irrigation (consumptive use amount); and
- this water right was formerly used to irrigate the sod farm on the west side of the interstate.

Declaration R.-5847:

- filed on April 20, 1961 with a priority date of 1927;
- 164.61 acre-feet per year (consumptive use) for institution use;
- 21.45 acres of land with appurtenant water rights for irrigation purposes;
 1. 64.35 acre-feet for irrigation (diversion amount); and
 2. 45.05 acre-feet per year for irrigation (consumptive use amount); and
- this water right is located on the east side of the interstate.

Total water rights in the name of PCD:

- 629.66 acre-feet per year (consumptive use), of which 164.61 acre-feet are for institutional use and the rest are for irrigation use; and
- 664.35 acre-feet per year (diversion amount) for irrigation purposes.

During commission discussions, it was noted that the state has requested extensions (as authorized in the water code) for both wells and surface water rights.

Mr. D'Antonio reported that, with regard to Santa Fe water rights on the DOT property, the agency does not have a water rights application before the OSE and that there is time to transfer those water rights, depending upon what decisions are made by the DOT. He indicated that the DOT is using a consultant to work on this and that he thinks the water rights are probably transferable. He pointed out that the DOT owns water rights all over New Mexico. The DOT water rights are the only state water rights that have this exclusive protection against forfeiture in statute. All other state water rights are subject to such forfeiture; thus, it is important that the state (e.g., the GSD) enter into short-term leases of its water rights to ensure against forfeiture.

With regard to the NMCD, the state engineer said that extra water is projected to be used by that department for its future growth. The OSE recommended that only short-term leases be allowed for no more than 10 years. He did not know if the NMCD is leasing any of the water at the penitentiary site.

Inquiry was made about using these excess waters for paying Texas its claims; however, Mr. D'Antonio said the state could not because the claims are in abeyance and that pre-1907 water rights predate the water compacts. A Rio Grande transfer (ground water) has to be offset with surface water. He said that New Mexico already gets credit for downstream waters going to Texas.

In response to questions, the state engineer noted that unappropriated water can be found in the northeast corner of New Mexico in the underground basins; however, there are over-appropriated waters in Pecos. The role of the OSE is to work through these issues within the administrative guidelines and to explore what opportunities might exist with regard to state water resources. In response to questions, Mr. D'Antonio said he thought everyone else should meet the terms of the state water code and should not have the statutory exemption provided for the DOT.

Additional concerns were raised about water rights in Los Lunas. The state engineer said that the grasslands are being irrigated and that some extensions may have already been granted to the state. He cautioned that the state should be sure that those rights are leased only on a short-term basis to put them to beneficial use.

DOT Updates on Projects

Deputy Secretary Giron offered a few brief comments about the DOT intermodal project. He reported that procurement discussions are still going on and that he is hopeful for a contract by September 2007. The inspector general at the DOT was directed to conduct a review of the procurement and the Governor's Office is planning to hire outside counsel to study the inspector general's report.

He reported that DOT District 5 office relocation is not moving forward.

CAD Capital Needs Assessment

Secretary Ashman reviewed the capital outlay needs of the department. The CAD is responsible for maintaining its facilities and seeking funds for all capital requests covering 66 buildings statewide. The department has a five-year plan for regular repairs, fire and safety repairs, upgrades and new facilities. The secretary explained that his first priority for capital funds is to finish previous, partially funded projects. His 2008 request for repairs and upgrades is \$7.098 million. The five-year plan for new or upgraded exhibitions venues, performing art spaces, education spaces and collection repositories call for \$18.337 million. The CAD is requesting close to \$11 million in the 2008 legislative session based on the presentation to the commission.

State Property Updates and Project Status

—West Capitol Campus Property Acquisition

Mr. Taylor reported that the PCD had met with U.S. Senator Jeff Bingaman and the United States Forest Service (USFS) to develop a plan of action for acquiring approximately 2.5 acres of the federal General Services Administration's (GSA) property and seven acres of USFS property located at the West Capitol Campus. Both federal agencies have been given authorization to dispose of the aforementioned property, but it will require congressional action to sell the property to the State of New Mexico.

—South Capitol Campus

The PCD is proceeding with the planning activity needed to address additional office buildings and a parking structure at the South Capitol Campus to alleviate overcrowding and parking.

—Coughlin Building

The PCD has entered into a purchase agreement with the owner of the Coughlin Building for \$1.32 million. It is proceeding with due diligence to meet the State Board of Finance's October meeting deadline.

—Albuquerque Scientific Laboratory

The project is on schedule to bid on the November 1, 2007. The property is now owned by the state.

—Capitol Parking Structure

ARC was selected to develop the design/build criteria. The project is scheduled to bid in early 2008. Santa Fe County had representation (County Commissioners Harry Montoya and Joseph Gutierrez) at the meeting to address its proposal, as raised by Speaker Lujan, to have the state include 200 spaces in the parking structure for the county to use, in part due to the planned construction of a new district courthouse several blocks from the capitol. The county has offered \$3 to \$4 million of the courthouse funds to add to the construction for the capitol parking structure.

ARC staff stated that there would be impacts to the area and costs either by going below ground for more spaces or by going higher. Although options for garage expansion might be possible, there is concern from commissioners and legislators that any capacity would be needed for state employees' parking within the buildings on the capitol campus. After some discussion, and upon motion of the speaker, the commission expressed support for some form of joint use with Santa Fe County, if details could be worked out, and it directed staff to review the feasibility of the joint proposal and report back to the commission.

—Maximus Facility Focus Asset Management System

The PCD reported that the management system has been initiated and is scheduled to be online and implemented with the GSD divisions in November 2007.

—Health and Human Services Complex in Santa Fe (Formerly the Super Complex)

Mr. Taylor reported that the size of the proposed complex had now reached 650,000 square feet and that current state land holdings in Santa Fe are limited for a complex of this size. A handout from HOK and SMPC architects was provided to the commission.

The consultants had conducted a site analysis for five sites. There was considerable discussion about the site analysis, the resulting square footage needed for the complex and the potential need to buy land in a new location to accommodate the project. Many questions were raised by the commission members, who requested to be able to tour the sites when it would be necessary to discuss project location.

The commission directed that ARC staff should meet with the contractors for the complex and report back to the commission. Staff was also directed to invite the agencies who want to be housed in the complex to come and present overviews of their strategic plans and facility needs. Some discussion ensued about the original master plan for the South Capitol Campus, the state's

land at Valdez Park in Santa Fe and the relationship of this project to the Rail Runner and the DOT projects.

Mr. Taylor and Glenn Fellows (SMPC Architects) were directed to provide additional documents on the project and organize a site tour for the various sites in question. Secretary Miller asked that information be provided regarding the "backfill" of agencies into buildings that would be vacated by other agencies moving into the proposed new complex and also information about the current location and square footage requirements for the agencies targeted for the complex.

—Superblock in Albuquerque

The commission asked DOT Deputy Secretary Giron to provide information to ARC regarding the DOT's interest in acquiring seven acres of open land at the Superblock (YDDC) site in Albuquerque.

—Substance Abuse Facility in Los Lunas for the Human Services Department (HSD)

Mr. Taylor asked the commission to hear a brief presentation from Paula Maglione from the HSD regarding a \$5 million appropriation sponsored by Senator Michael S. Sanchez for design and construction of a substance abuse facility in Los Lunas at the old training center site. The request for HSD is anxious to issue a request for proposals, but there is concern about the facility being consistent with the master plan for the site.

The commission directed ARC and the HSD to meet and to review the proposal for the facility to ensure that it is consistent with the master planning recommendations for the area.

SLO Master Planning on State Trust Lands

Commissioner Lyons gave a very quick overview of his constitutional responsibilities as state land commissioner.

Future Meeting Dates

The next two meetings are scheduled for Monday, September 24, at 1:30 p.m. and Monday, November 19, at 10:00 a.m.

Public Comment

There was no public comment offered.

Other Business

There was no other business discussed.

Adjournment

The CBPC adjourned at approximately 12:15 p.m.

**MINUTES
of the
THIRD INTERIM MEETING
of the
CAPITOL BUILDINGS PLANNING COMMISSION**

**September 24, 2007
Room 321, State Capitol
Santa Fe**

The third 2007 interim meeting of the Capitol Buildings Planning Commission was called to order by Speaker Ben Lujan, co-chair, on September 24, 2007 at 1:45 p.m. in Room 321 of the State Capitol in Santa Fe.

Present

Representative Ben Lujan, Speaker of the House, Co-Chair
Arturo Jaramillo, Secretary, General Services Department (GSD), Co-Chair
Stuart Ashman, Secretary, Cultural Affairs Department (CAD)
Deputy Secretary Gary Giron, Designee for Rhonda Faught, Secretary, Department of
Transportation (DOT)
Senator Stuart Ingle, Minority Leader
Clarence Smith, Designee for James B. Lewis, Treasurer, State Treasurer's Office
Joyce Pankey, Designee for Patrick Lyons, Commissioner of Public Lands, State Land Office
(SLO)
Katherine B. Miller, Secretary, Department of Finance and Administration (DFA)
Barbara Gay, Designee for Arthur W. Pepin, Director, Administrative Office of the Courts (AOC)
Representative Thomas C. Taylor, Minority Leader

Absent

Senator Ben D. Altamirano, President Pro Tempore

Staff

Paula Tackett, Legislative Council Service (LCS)
Roxanne Knight, LCS
Jacob Winowich, LCS
Bill Taylor, Director, Property Control Division (PCD)
Lemoyne Blackshear, PCD
Pamela Nicosin, PCD

Guests

The guest list is in the meeting file.

Copies of all handouts and written testimony are in the meeting file.

Monday, September 24

The co-chairs welcomed commission members and guests.

Call to Order and Adoption of the August 21, 2007 Minutes

Secretary Jaramillo and Speaker Lujan called the meeting to order at approximately 1:45 p.m. The minutes from the August 21 meeting were unanimously adopted without changes.

Update of Albuquerque and South Capitol Master Planning

- **Los Lunas**

John Petronis and Andy Aguilar from Architectural Research Consultants (ARC) began the master planning update with an explanation of the state-owned lands and buildings in Los Lunas. Most of the 2,000 acres of state land in Los Lunas is not incorporated into the village. There are grassland areas, the former hospital site, correctional facilities and some agricultural, game and fish activities on the Los Lunas site. Total space occupied by state agencies in Los Lunas is 232,700 gross square feet (gsf), not including the corrections campus, residential leases or vacant buildings. The population in Valencia County continues to grow, driving demand for infrastructure to address state services and, in particular, transportation. The Rail Runner is going to Los Lunas and additional road improvements are being made. Existing state lands will be affected by the population growth, eventually requiring a greater state presence to serve that population.

At the previous commission meeting, representatives from the Human Services Department (HSD) had expressed concern about the construction of a substance abuse treatment facility at the Los Lunas training center. The commission had directed the ARC and HSD representatives to meet and report back to the commission with regard to the compatibility of the treatment facility and the overall master planning for the site. Because there are several other potential or planned uses for the Los Lunas area, it is critical to ensure that the HSD substance abuse facilities, which will require construction in multiple phases, are located in an area that can have its own campus setting.

There is a state game and fish refuge for the silvery minnow under construction on the northeast corner of the Los Lunas hospital site. It will need to use some of the site's water rights. There are 288 acres of vacant land at the grasslands site. It is surrounded by light industrial use (south), the Pueblo of Isleta (north) and undeveloped land (west). Utilities are nearby in the Village of Los Lunas. The site has water rights, which the state needs to preserve.

More than 1,200 acres are for corrections use. They are not within the village boundary. Most of the land on this site has low visibility and minimal local road access. There is potential for a new interchange and river bridge corridor in the area. This site has water rights that need to be preserved. Adjacent lands will likely be developed as residential.

The Los Lunas hospital site is a large, 185-acre parcel that is partially undeveloped, and the buildings on it are in poor condition, which will require considerable investment to upgrade or replace. The site has good access and visibility, although the traffic on Main Street in Los Lunas

can get congested. The western portion is vacant; the central portion is where the hospital complex and other state users are located. The eastern portion is leased to others. The site is surrounded by educational, residential, institutional and commercial uses.

Representative Taylor inquired about the availability of statewide data, including how much square footage the state leases, how much acreage it leases, where the leases are and why the leases are needed. The ARC representatives responded that the compilation of data is in progress. The PCD is working on this in conjunction with other planning initiatives. Speaker Lujan wanted to know if there is an inventory of the state's water rights on state lands. Ms. Pankey reported that the SLO's web site contains an inventory of acreage under the purview of the commissioner of public lands.

When asked if the new courthouse in Los Lunas was constructed on leased land, the PCD representatives responded that it was. Ms. Tackett was asked if there are schools located on leased land in places such as Los Lunas, to which she responded that most charter schools are, but not all. Secretary Miller wondered why the Los Lunas properties are being leased to Valencia County and the Village of Los Lunas rather than being sold. She expressed concern that the State Board of Finance is approving long-term leases on state properties. Mike Trujillo, a former county manager for Valencia County, said the leases were done years ago in the 1980s, just after the hospital closed. Leases were typically done for 25 years or more, with some done for up to 99 years. Speaker Lujan suggested that additional coordination is necessary with regard to these leases, because the state is carrying these lands as assets, yet has little control over them once they are leased.

During the presentation it was noted that shorter-term leases create bonding issues for local governments. Speaker Lujan wondered if the state and local governments might be better off if the land is transferred rather than leased, particularly because many of the leases are for the rate of \$1.00 per year.

Secretary Ashman inquired about cultural properties at the old hospital. The PCD staff reported that none is officially listed as cultural properties; however, the superintendent's house at the front of the property is of some cultural interest to the community.

Secretary Miller inquired about the 1.5% growth rate projected by the master planners. Mr. Petronis noted that the percentage is not directly tied to population growth; rather, it is a reasonable mid-point projection based on a 3% growth rate for planning purposes.

Speaker Lujan said there is a Youth Diagnostic and Development Center (YDDC) request for \$10 million in capital improvements, and he inquired if this is reasonable if the Children, Youth and Families Department (CYFD) management is willing eventually to move its operations to Los Lunas or elsewhere. The ARC representatives indicated that they would research the CYFD needs and preferences, but that they would also be identifying infrastructure at the Los Lunas site and looking at long-term plans for the possible option of moving the YDDC to Los Lunas.

Secretary Jaramillo inquired about the substance abuse facility wanted by the HSD and whether the ARC staff has been communicating with the HSD. It was reported that the ARC, the PCD, the LCS and the HSD staff had met in a workshop to review the matter, and the ARC concurred that there is space for the facility in Los Lunas that would be consistent with the master planning for the site, even if the old hospital site would not be appropriate.

- **Albuquerque Area**

The region is expected to grow in population, resulting in the need for growth in state services and state facilities. The projections are for state office space to double within 40 years, assuming a 1.5% annual growth rate. In response to questions from Secretary Jaramillo about the Albuquerque Central and San Mateo site, the ARC planners said they will explore developing state campuses via the purchase of existing properties, the lease-purchase of others and direct state capital development. They reported that the PCD is still doing its due diligence on the Bank of the West site and is otherwise still looking at land for sale in the Albuquerque area. They might propose some combination of alternatives. Secretary Jaramillo inquired if there would be space at the YDDC (Super Complex) site for administrative offices. The ARC reported that the YDDC site is not ideal for all of the agencies housed at the San Mateo site, but that it might be able to absorb some offices. Speaker Lujan suggested that the commission consider something for Albuquerque that is similar to the Santa Fe Super Complex proposal.

- **Super Block Complex — YDDC**

Within the Albuquerque area, one particular site has potential for a Super Block Complex. Located in this area are special-use tenants having long-term juvenile commitments. Tenants located there, whose staff were interviewed, include Sequoyah, the YDDC and Camino Nuevo. When interviewed by the master planners, the tenants reported significant facility investments and geographic advantages for their current locations. It is not necessary that the "administrative" tenants remain at the site, but they were placed there originally because space was available. It is possible for them either to be relocated or to stay at this location. Utilities are available throughout the site, but capacity is limited. Existing systems are in need of retrofitting.

There are proposals for the use of undeveloped land. The DOT is interested in a portion of the land adjacent to its property. There are some constraints: topography is difficult on a large portion of the site; infrastructure utilities are limited in capacity and the condition is fair; existing facilities vary in condition but will need ongoing renewal; and existing programs are ongoing — they intend to stay, but they might be relocated as development pressures increase. There are opportunities for phased development on the eastern 13 acres, which could potentially serve as a location for a portion of the state agencies located on leased property in Albuquerque. Candidates for this site include agencies that tend to serve the professional community or government personnel or who provide statewide services (e.g., public employee interests, commissions and boards and regulation and licensing authorities).

Current total space occupied by candidate agencies equals approximately 200,000 square feet to house 650 people. The site size required to support current and future needs for current candidate agencies is 10.21 acres.

The CYFD has a temporary facility on the site in partnership with the Energy, Minerals and Natural Resources Department. Bernalillo County recently received legislative approval (2007 HJR 14) for a right of way to widen Edith Boulevard. This includes construction of a detention pond to store runoff and leasing 10.5 acres of property. The county will have an option to purchase within five years. Other potential state use might include the Rail Runner, parking for the Rail Runner and other specialty uses.

- **South Capitol Planning Review**

In the original master plan approved by the commission, future development was intended to meet the state's needs within designated campuses; to meet adopted location principles; to locate or relocate agencies gradually as opportunities might become available; and to co-locate agencies or functions according to adopted criteria.

The main Capitol Campus is for constitutionally created or statutorily attached agencies, which have a high degree of legal or financial responsibilities and a high degree of interaction with other constitutional agencies as well as a special relationship to the Capitol area.

The South Capitol Campus was approved for administrative offices, administrative support offices and field offices. The West Capitol Campus was approved for agencies having high interaction with the public, including field offices and support functions. Other campuses might be specialized by function. Future development should continue to meet state needs within the designated "campuses". Co-location of agencies or functions should be done according to adopted criteria. Given that the DOT is revisiting site development options for the site, there is a major opportunity for cooperative planning between the state agencies. Deputy Secretary Giron reported that the DOT and the DOT Commission are willing to sit down and discuss long-term South Capitol needs, but that it needs to be done as soon as possible. The presenters recommended exploring this potential to meet combined state needs.

On state lands in the South Capitol area, the DOT needs a Rail Runner station and multimodal facility. What is now being called the Health and Human Services (HHS) Complex could be accommodated on the site to house the CYFD, the HSD, the Aging and Long-Term Services Department and the Department of Health (DOH). The ARC staff reviewed the HHS needs for square footage, land acreage for surface and structured parking and relocation factors. The ARC proposed that a unified implementation strategy be developed that would propose realistic phased development and assess all capital funding options, including traditional sources (general fund and bonding), taking into consideration the use of lease revenues and state land ownership as well as public-private partnerships.

The PCD staff noted that use of the South Capitol Campus for the HHS Complex will require a policy change because there may not be sufficient parking to "guarantee" one space for every employee. Speaker Lujan inquired about the accessibility of the Las Soleras site as compared to the Valdez Park site. It was noted that the Valdez Park site has less road infrastructure. Also, Deputy Secretary Giron noted that there may not be a Rail Runner station at the Las Soleras site at this time. Senator Ingle inquired about who is the owner of the Las Soleras site because the state does not own the property. There was discussion about the efficiency of

office space, and it was noted that new facilities at the South Capitol Campus would be far more efficient than current leased space.

HSD Strategic Planning for Facilities Overview, HHS Complex (Formerly Super Complex) and HSD Substance Abuse Facility in Los Lunas

Secretary of Human Services Pamela Hyde and Paula Maglione, bureau chief, HSD, appeared before the commission to review the agenda items. Secretary Hyde stated that she was not scheduled for enough time on the agenda to review all of the facility needs of the HSD, but she pointed out that the HSD "touches one in three" New Mexicans through the agency's field offices, many of which need upgrades. The HSD wants to keep facilities within proximity to the public. Also, she indicated support for the HHS Complex proposed for Santa Fe, which she believes is an excellent example of the possible benefits of co-locating state agencies.

- **Los Lunas Substance Abuse Facilities**

Methamphetamine abuse has grown to epidemic proportions in New Mexico communities. As a result, the 2007 legislature appropriated \$5 million of capital and \$250,000 in general fund money to plan, design, construct, renovate and equip an outpatient substance abuse treatment facility in Los Lunas. Treatment is significantly less expensive than incarceration. Individuals who experience treatment are more likely to be drug-free and less likely to commit additional crimes than individuals sent to jail. Individuals with substance abuse problems cost society a significant amount in lost wages, and social welfare, health care and criminal justice costs. After treatment, those costs are reduced, and a significant number of people get and keep jobs and become taxpayers. A comprehensive continuum of substance abuse treatment services is needed, ranging from residential to intensive outpatient programs. Outpatient and recovery support/aftercare services are recommended for each of the target populations. The nationally recognized matrix model will serve as the treatment model, incorporating evidenced-based practices and elements of relapse prevention, cognitive-behavioral, psycho-educational and family approaches, as well as 12-step program support.

A Los Lunas site would offer an intensive outpatient treatment and training "leased" facility. It would be a 28,000 square-foot facility.

The HSD has requested \$5.9 million for FY09 to complete the women's residential treatment facility, whose total cost is estimated at \$10.9 million. Funding will be requested in FY10 for the men's residential treatment center.

Components of a state-of-the-art substance abuse campus include gender-specific treatment, trauma-informed care, integrated treatment for co-occurring mental health issues, dialectical behavior therapy, case management, peer supports and childcare services. The residential treatment component provides 24-hour room and board to individuals who do not have a safe and drug-free place to live in the community, do not have control of their substance use or do not have access to treatment in their communities. The women's residential treatment program will provide, in addition to the 16 treatment beds for women, 10 to 14 beds for the women's children. The training center will support the workforce development and training on the

evidence-based treatment models and service components identified for the continuum of treatment services. Technical assistance and support for the development of telehealth and telemedicine to address rural/frontier and racial/ethnic disparities in services delivery will also be included. There are several project phases from FY08 through FY10.

The department has a few other space needs, which the secretary offered to cover at a later date when there would be more time.

Secretary Hyde indicated her concern that the appropriate site be selected at the Los Lunas corrections site. She wants the location to be easily accessible and inviting for people coming to the site for training. The site should be close to roads and have good visibility. The outpatient facility would be leased at first and then turned over to a nonprofit entity.

Representative Taylor asked a variety of questions about the cost of the facilities and the projected allocations of the costs. Senator Ingle inquired as to what type of nonprofit might operate the facility, to which the secretary responded that such entities might be a university, an HSD service provider or a group of providers. She noted that there will be some federal requirements that have to be met; otherwise, it will risk losing Medicaid funding. Although persons will receive treatment for both drug and alcohol use, she expects drug treatment to be covered rather than alcohol treatment. Due to the daily program type, she expects patients to be more localized. Speaker Lujan suggested that the HSD consider lease-purchase options as well as the leasing option. Secretary Hyde responded that the lease is the fastest way to get the facility going now, but she indicated that she would study the options.

DOH Strategic Planning for Facilities Overview

Dr. Alfredo Vigil, secretary, and Duffy Rodriguez, deputy secretary, gave an overview of the strategic planning process and facility needs of the department. First, Dr. Vigil asked permission to present briefly information about his request for a new school of dentistry in New Mexico.

He said New Mexico is facing a critical shortage of dentists, especially in rural areas. In 2000, the state ranked forty-ninth in the nation in dentists per capita. In 2000, 616 dentists and 560 dental hygienists were practicing in New Mexico. In 2000, there were 33.8 dentists per 100,000 New Mexicans, well below the national rate of 63.6. The number of dentists in New Mexico increased only 2% between 1991 and 2000, while the state's population grew by 18%. Currently, two New Mexico counties have no dentists, four counties have only one dentist and six counties have only two dentists. A school of dentistry would increase the number of dentists and oral hygienists in urban, and more importantly, rural areas of the state; allow for a more diverse and representative dental workforce in the state by recruiting and training New Mexicans; offer incentives for trained dentists and dental hygienists to serve in New Mexico; support dental residents to gain clinical experience in patient-centered community delivery sites; focus on training dentists to provide care to low income and rural populations; and provide increased services to disadvantaged populations, including persons on Medicaid, in rural areas and with disabilities. A school of dentistry supports the governor's health and human services goal #6:

"improve health care and human services by investing in workforce development and infrastructure".

In the second part of the presentation, Ms. Rodriguez reviewed the department's 2009 infrastructure capital improvement plan. She reviewed the top five priorities for the DOH:

1. facility patient health and safety - \$5,859,000;
2. facility continued construction and renovation - \$54,205,000;
3. public health offices - \$4 million;
4. facility upgrades statewide - \$5 million; and
5. the Scientific Laboratory Division - \$450,000.

Report — HHS Complex and Site Assessment Evaluation

Bill Taylor, with the assistance of Glenn Fellows from SMPC Architects, provided information about the proposed HHS Complex. They reviewed the updated site assessment evaluation. They noted that originally, \$1.4 million was appropriated in 2004 for commencement of the project. The project evolved to one requiring 650,000 square feet of facilities to co-locate agencies and move them out of leased spaces. The Public Education Department was brought into the co-location, and they soon realized that the original site at Valdez Park would not be sufficient. They started looking at the other sites noted in the assessment.

There was considerable discussion about the methodologies used to assess points on the potential candidates for land acquisition. Mr. Taylor indicated he is satisfied with the criteria. He stated that there would need to be a change in the policy that currently allows for one parking space per employee, as the parking facilities will not accommodate that in the future. Deputy Secretary Giron had some questions about the site appropriateness in relation to the Rail Runner. There were questions about the number of square feet required in the facilities per employee, and there were additional concerns about consolidation of administrative services among agencies.

State Property Updates and Project Status

Mr. Taylor provided updates on the various projects of concern to the commission:

- Capitol Parking Structure. The design build criteria is moving forward. He hopes to advertise during or after the 2008 legislative session, as he wants to finish construction before the 2009 legislative session. Currently, traffic studies and surveys are being done. The speaker expressed concern about delays, to which Mr. Taylor responded that the design phase is still under way and the contracting process takes time. Mr. Taylor expects the design/build phase to move rather quickly. The request for proposals (RFP) will ask for bids for construction of up to 600 spaces.
- Coughlin Building in Main Capitol Campus. The PCD is getting surveys done now and will be going to the State Board of Finance in November to obtain the final approval to purchase.
- West Capitol Campus — the land purchase from the federal General Services Administration and the U.S. Forest Service. The PCD is continuing to discuss this purchase with the federal entities and with Senator Jeff Bingaman to get congressional support for the sale.
- Old Metropolitan Court. The PCD has issued two RFPs with no responses received.
- Galisteo Property, Santa Fe. The PCD is still preparing an RFP for the lease/sale.

The speaker asked if the state could sell land to a developer and then lease to own it back. Ms. Tackett answered that this option is possibly not precluded, but it needs to be further explored. The speaker inquired about the Labor Department property, and Mr. Taylor noted that his staff are trying to figure out how to meet the department's needs. Speaker Lujan suggested the commission look at selling, and then leasing back to own.

- State Laboratories in Albuquerque. Mr. Taylor reported the project will go out to bid in November. Preliminary cost estimates are coming in a bit low, but he will have firm bid costs in time for the legislative session. He is confident the bids will come in at or below the appropriated levels. The PCD and the University of New Mexico are still looking at setting values on such items as utilities. All land issues regarding the five acres have been resolved. Ms. Tackett inquired about the additional two acres for the crime laboratory, and Mr. Taylor said that this had been put on the back burner. One issue involves the value of the building that would be traded for the two acres and the issue of the value of utilities.

Public Comment and Other Business

None.

Adjourn

The meeting was adjourned at approximately 4:00 p.m.

APPROVED MINUTES
of the
FOURTH INTERIM MEETING
of the
CAPITOL BUILDINGS PLANNING COMMISSION

November 13, 2007
Room 309, State Capitol
Santa Fe

The fourth interim meeting of the Capitol Buildings Planning Commission (CBPC) was called to order by Secretary of General Services Arturo Jaramillo and Speaker of the House of Representatives Ben Lujan, co-chairs, on Tuesday, November 13, 2007, at 1:46 p.m. in Room 309 of the State Capitol in Santa Fe.

Present

Rep. Ben Lujan, Speaker of the House,
Co-Chair
Arturo Jaramillo, Secretary, General Services
Department (GSD), Co-Chair
Sen. Ben D. Altamirano, President Pro Tempore
Robert Apodaca, Designee for Katherine B. Miller,
Secretary, Department of Finance and
Administration (DFA)
Stuart Ashman, Secretary, Cultural Affairs
Department (CAD)
Barbara Gay, Designee for Arthur W. Pepin, Director,
Administrative Office of the Courts
Deputy Secretary Gary Giron, Designee for Rhonda
Faught, Secretary, Department of Transportation
Sen. Stuart Ingle, Minority Leader
James B. Lewis, State Treasurer
Rep. Thomas C. Taylor, Minority Leader

Absent

Patrick Lyons, Commissioner, State
Land Office

Staff

Paula Tackett, Director, Legislative Council Service (LCS)
Bill Taylor, Director, Property Control Division (PCD), GSD
Lemoyne Blackshear, PCD
Roxanne Knight, LCS
Tamar Stieber, LCS
Jacob Winowich, LCS

Guests

The guest list is in the meeting file.

Handouts

Copies of all handouts and written testimony are in the meeting file.

Tuesday, November 13

Call to Order; Adoption of September 24, 2007 Minutes

Secretary Jaramillo and Speaker Lujan called the meeting to order at 1:46 p.m. The commission unanimously adopted without changes the minutes from the September 24, 2007 meeting.

State Property and Project Updates

PCD Director Bill Taylor updated the commission on the following ongoing projects:

Capitol Parking Structure

Mr. Taylor said that the PCD will advertise at the end of November a request for proposals (RFP) to design and build a parking structure for the main State Capitol complex. In December, the division will provide to the selected designer/architectural teams follow-up design criteria so the parking structure can move forward.

Property Acquisitions

- West Capitol Campus and Federal Property:
 - The state continues to work closely with U.S. Senator Jeff Bingaman's office, which is helping to get a congressional initiative to sell to the State of New Mexico 11 acres of property located adjacent to the West Capitol Campus and that currently is controlled by the federal General Services Administration (GSA) and the United States Forest Service.

- Coughlin Building:
 - The PCD has entered into a \$1.32 million purchase agreement with the owner of the Coughlin Building, the only property remaining on the main capitol campus that the state does not own. The State Board of Finance is expected to approve the purchase at its November 20 meeting, with closing scheduled for the first week of December. Architectural Research Consultants (ARC) recommended that the state buy the property as part of the capitol buildings master plan.

 - Mr. Taylor said three lessees occupy the Coughlin Building — two of them on a month-to-month basis and a third whose lease will expire at the end of February. The seller will give the month-to-month lessees 30 days' notice to vacate after the sale, at which point the state will give 30 days' notice to the remaining tenant. The PCD plans to raze the building after construction begins on the parking structure. Mr. Taylor said the state's Historic Preservation Division determined that the building has no historic significance.

- Old Metro Court Building, Albuquerque:
 - Mr. Taylor said the PCD met in October with Bernalillo County Manager John Dantis, who said the county was interested in leasing the old metro court to house an outreach program and rehabilitation center for use by the detention center next door. Mr. Taylor

said this would be of great benefit to the state because the building is vacant, which he noted poses security problems. He said the legislature approved trading, leasing or selling the property and that the PCD intends to proceed in negotiations with the county for that lease, allowing for the possibility that the county will purchase the property if it can identify a funding source.

Secretary Jaramillo pointed out that the old metro court has limited parking. Speaker Lujan asked for the appraisal value of the building. Mr. Taylor said the most recent appraisal is a year old. He thought it was for \$2.7 million, but said he will provide a more certain figure to the commission. Ms. Tackett said it would cost \$7 million to renovate the building.

Albuquerque Scientific Laboratory (Tri-Lab)

The PCD issued an RFP on November 8 with a December 27 deadline for proposals to construct a new "tri-lab" building, which will house the state's Scientific Laboratory Division, Veterinary Diagnostics Services and Office of the Medical Investigator. Mr. Taylor said the PCD will choose a contractor on January 15, 2008 and execute a contract as soon as negotiations are completed. He would like to begin construction in March or April of 2008.

Capital Financing Options

LCS consultant Tom K. Pollard, former executive director of the New Mexico Finance Authority (NMFA), provided an analysis to the commission of owning versus leasing state facilities. He said the state leases most of its office space and proposes that the state build its own offices instead. Changes in the real estate market make it even more critical to explore owning versus leasing, he said.

Mr. Pollard explained that a 2006 amendment to the Constitution of New Mexico allows the state to enter into lease-purchase agreements. As a result, he said, a lot of recurring general fund dollars could move from paying for private lease space into lease-purchasing state-owned buildings, either through the NMFA, which has the authority to acquire buildings for the state, or through private entities.

Mr. Pollard said the median age of state buildings under GSD control, including hospitals, prisons, warehouses and administrative offices, is 41 years. He stressed, however, that the figure may understate the age of a building — greatly so, in some cases — because the GSD dates its buildings from the time they are placed in service, not from when they were built. For example, he explained, the Bataan Building was built in 1900 and renovated in 1965. Thus, it carries a "placed-in-service" date of 1965, which means it is considered 42 years old rather than its real age of 107.

Mr. Pollard said that the GSD estimates the cost of deferred maintenance for state-owned facilities at approximately \$500 million in 2005, which comes to \$800 million in 2007 dollars when factoring in the increased cost of construction. Since 1990, however, the state has depended more on leasing warehouse and office space and prisons, he said, noting that the state currently leases 35% of its offices in Santa Fe, 70 % in Albuquerque, 90 % in Las Cruces and 80% in the rest of the state.

Mr. Pollard said leasing is not necessarily bad because the private sector can sometimes work faster than the state and build and renovate more cheaply. It also gives the state flexibility to move into and out of buildings as it sees fit. He compared this to owning, whose advantages to the state include:

- gaining equity in buildings it owns;
- not paying extra for private owner profit;
- financing construction or acquisition of buildings at lower interest rates because of the state's tax-exempt status and because the state has a higher credit rating than private developers;
- constructing buildings with greater, and more efficient, space per employee than that generally found in leased space; and
- promoting "economies of scale" and serving the public more efficiently by consolidating state employees from many small leased spaces into larger state-owned campuses with shared auditoriums and conference rooms.

To illustrate, Mr. Pollard provided a "buy-versus-lease" analysis of a health and human services (HHS) complex, as envisioned in the capitol buildings master plan and which the CBPC discussed in 2005. The complex would combine the Human Services Department (HSD), the Department of Health (DOH), the Children, Youth and Families Department (CYFD) and the Aging and Long-Term Services Department (ALTSD). The analysis compares the relative costs of buying versus leasing over the life of the asset, including initial construction costs, financing, ongoing operating costs and periodic major renovations and repairs.

Mr. Pollard presented a scenario he described as the "simplest process — shifting payments from one entity to another". Using the HSD as an example, Mr. Pollard said the department currently leases all of its space — 160,000 square feet in various locations around Santa Fe — at an average of \$21.50 per square foot. He said the NMFA could finance construction of a 160,000-square-foot building on state land by selling \$40 million in bonds to pay for the building, which he estimated would cost \$250 per square foot. The HSD could then enter into a lease-purchase agreement, executed through the NMFA, pledging the revenue stream previously going to lease payments. At the end of the finance period, the state owns the building and will not necessarily have to make any more payments, he explained.

In another scenario, state agencies could move from expensive private lease space into state-owned buildings vacated by agencies relocating to the proposed HHS complex, thus saving the state even more money. For example, he said, the CYFD can move from the Public Employees Retirement Association (PERA) building into the proposed HHS complex, and the Public Regulation Commission (PRC), which occupies private lease space at \$22.00 per square foot, could "backfill" the space vacated by the CYFD at a savings of perhaps \$2 million a year. He described the PRC move as "a little more complicated" because it does not generate a revenue stream to pledge for bonds. The savings would occur in state general fund dollars to the state, he said, because the state could invest nonrecurring revenues in the new building and "buy savings in terms of not having to make lease payments throughout time".

In this scenario, Mr. Pollard said, consolidation and backfill "play together" to create the HHS complex, comprising 250,000 square feet of lease-to-purchase space and 250,000 square feet in backfilled space funded with nonrecurring revenue or state bonds.

Responding to a question from Mr. Apodaca, Mr. Pollard said the HSD would use the \$3.4 million it pays annually for leased facilities to cover debt service for bonding a new building. He also said the state would reap substantial savings in even less time than the 30 years illustrated in charts he brought with him, which he said offer conservative scenarios. He said the state could see savings in debt service plus maintenance in about nine years. He noted that while the first set of bonds and the buildings would be paid off in 20 years, his figures allow for an additional 10-year bond issue for serious renovations so that state-owned buildings will last at least 40 to 50 years.

Mr. Pollard concluded that the state is far better off buying than leasing buildings, estimating that owning could save the state more than \$91 million over 30 years, not including the value of the building. Adding the value of the building brings the savings to \$151 million, according to his charts, because the state has an asset and has also saved money annually. Allowing for inflation, the savings could reach \$400 million. Ultimately, he said, "you end up with some pretty massive savings".

Mr. Pollard said his model is most applicable in Santa Fe because the city has such high lease rates — \$21.00 to \$24.00 per square foot compared to \$16.00 per square foot in Albuquerque and Las Cruces, both of which have more vacant buildings in their downtown areas than Santa Fe.

Senator Altamirano questioned Mr. Pollard about the economic impact to lessors who would lose state departments as tenants. Mr. Pollard acknowledged that private lessors "are not going to be thrilled". He also acknowledged that moving agencies will result in some costs to the state. However, he suggested that by vacating private lease space, especially in Santa Fe, the state could help loosen what is now a tight real estate market that can be prohibitive to small and start-up businesses.

Senator Altamirano said he would rather have the money in the general fund than spend it on recurring lease payments. Noting that the state leases 95% of its Las Cruces facilities, he anticipates an outcry from current lessors if the state vacates their buildings. Mr. Pollard acknowledged that his recommendations are not without opposition.

Senator Altamirano said the state could have bought its own buildings in his district, but has been more inclined in the past 10 years to lease rather than to buy. He asked Mr. Pollard about a list of all properties the state leases. Mr. Pollard said the PCD has such a list. Senator Altamirano is concerned that the state pays extravagant lease rates. In the private market, he said, lessors could not get 10% of what the state pays. "It makes me think it's a fraudulent act leasing property like that", he said. He asked Mr. Pollard if lessors are taking advantage of the state.

"I would say the market is the market", Mr. Pollard replied.

Representative Taylor said that high lease payments are not always the fault of the lessor. He described a situation in which the state requested a nine-year lease on a building, which he said made the rental payments "quite a bit". Had the state worked out a 20-year lease, he said, the payments would have been one-third as much. Mr. Pollard told Representative Taylor that the state often pays for flexibility that it never exercises, such as in shorter, more costly leases.

State Treasurer Lewis also expressed concern about the economic impact of moving from leased space to state-owned property, especially in Albuquerque, where the state leases quite a bit of property. He asked if Mr. Pollard's estimates take into account the growth of state government.

Mr. Pollard said he had not considered the economic impact of moving people from Albuquerque to Santa Fe, for example — an impact that he acknowledged would be large. Instead, he said, he was concentrating on the private versus public ownership issues. Regarding growth, he responded that the idea is to sell 20-year construction bonds and renovation bonds. At present, he said, the state treats building ownership as a liability rather than an asset, in part because it does not maintain its buildings sufficiently and then they do become liabilities. He said the state needs to build into the cost of ownership the cost of renovations and maintenance as well as growth and planning. He urged the state to renovate and maintain its buildings extensively so that its assets endure.

Responding to Mr. Apodaca and Deputy Secretary Giron, Mr. Pollard reiterated that the state would save \$91 million over 30 years if it converts from leases to the purchase of bonds to construct buildings. Once the bonds are retired, he said, the lease payments disappear, the state pays only maintenance, and large savings begin to accrue, which is what occurred after the state bought the National Education Association (NEA) and PERA buildings.

To a question from Senator Altamirano, Mr. Pollard responded that even with 3% inflation, which he described as reasonable, the state will see substantial savings.

Speaker Lujan commented that consolidating some state agencies could be both a convenience and a savings to the general public, noting that the effect on the business community remains to be seen. Mr. Pollard concurred that consolidating state agencies could save taxpayers money in the general fund and also out-of-pocket as they access state services.

Secretary Jaramillo pointed out that the model whereby the NMFA funds lease-purchase agreements is not the only one consistent with the state constitution. He said private investors can also execute lease-purchase agreements through the RFP process, even if it costs the state a little more money. Mr. Pollard said that private sector lease-purchase agreements run at 6.5% to 7% interest, compared to 4.5% through the NMFA. While that would raise the "bonding costs plus maintenance" bar on the graphic he handed out to the commission, it would still save the state money over long-term leasing because the state winds up with an asset and the economy of grouping human services agencies on one campus.

GSD Capital Outlay Requests

Mr. Bill Taylor provided the following list of capital outlay requests for the GSD:

- \$10 million for repairs, renovations and maintenance of more than 600 state buildings;
- \$1.5 million for South Capitol Campus planning and infill;
- \$9 million to acquire land and design an office building in Las Cruces;
- \$5 million for the Santa Teresa port of entry; and
- \$4 million to overhaul the engines on state aircraft.

Ms. Blackshear encouraged the commission to support the funding requests.

State Treasurer Lewis asked about the average life of an aircraft. Mr. Bill Taylor deferred, explaining that it is not his area of expertise. Secretary Jaramillo said he is uncomfortable putting the state's planes back in the air without engine replacements. The planes are so old that it does not make economic sense to do a \$600,000 overhaul to an airplane that will still be worth only \$450,000 after the overhaul and still have safety issues, he said. Secretary Jaramillo said he is worried about putting up aircraft that are 35 years old because "the risks are too high and the rewards are not adequate".

Senator Ingle said that if a plane passes a Federal Aviation Authority inspection, it is safe to fly, regardless of its age. He said the state will never be able to buy new airplanes because they cost too much.

Commission Action and Proposed Legislation

Ms. Tackett told the commission that the state issued an RFP for the capitol buildings master plan and that she expects responses by 2:00 p.m. on November 29. She said staff will go through the proposals and prepare a short list for interviews, which the commission could do in early December.

Ms. Tackett asked the commissioners for direction regarding capital project requests and how to present them to the commission. She suggested reviewing criteria that include health and safety issues; completion dates; certification and licensing; but especially whether and how the requests fit into the master plan. She said there has not been enough time to sift through all the proposed projects from state agencies, especially now that the CBPC is hearing more of them. The commission decided to meet in December, most likely on the third or the tenth of the month.

Speaker Lujan asked about upgrading the PERA Building, including heating, cooling and other infrastructure. Ms. Tackett said the state appropriated \$25 million, some of which is to be used for renovations and repairs for the building. State Treasurer Lewis suggested looking at the elevator in the PERA Building, which he described as old and quite slow. Ms. Tackett commented that the elevator is the same age as the one in the State Capitol, which she described as slow but steady.

Adjourn

With no public comment and no further business before the commission, Secretary Jaramillo adjourned the meeting at 2:52 p.m.

MINUTES
of the
FIFTH INTERIM MEETING
of the
CAPITOL BUILDINGS PLANNING COMMISSION

December 10, 2007
Room 317, State Capitol
Santa Fe

The fifth interim meeting of the Capitol Buildings Planning Commission (CBPC) was called to order by Speaker of the House Ben Lujan, co-chair, on Monday, December 10, 2007, at 1:50 p.m. in Room 317 of the State Capitol in Santa Fe.

Present

Rep. Ben Lujan, Speaker of the House,
Co-Chair
Arturo Jaramillo, Secretary of General
Services, Co-Chair
Sen. Ben D. Altamirano, President Pro Tempore
Stuart Ashman, Secretary of Cultural Affairs
Dennis Garcia, Deputy Commissioner of Public Lands,
for Commissioner of Public Lands Patrick Lyons
Barbara Gay, Designee for Arthur W. Pepin, Director,
Administrative Office of the Courts
Gary Giron, Deputy Secretary of Transportation,
Designee for Secretary Rhonda Faught
James B. Lewis, State Treasurer
Katherine B. Miller, Secretary of Finance and
Administration
Rep. Thomas C. Taylor, Minority Leader

Absent

Sen. Stuart Ingle, Minority Leader

Staff

Paula Tackett, Director, Legislative Council Service (LCS)
Bill Taylor, Director, Property Control Division (PCD), General Services Department (GSD)
Lemoyne Blackshear, PCD
Ric Gaudet, LCS
Roxanne Knight, LCS
Tamar Stieber, LCS

Guests

The guest list is in the meeting file.

Handouts

Copies of all handouts and written testimony are in the meeting file.

Monday, December 10

Adoption of Minutes

The minutes from the November 13, 2007 meeting of the commission were adopted unanimously.

State Property Updates and Project Status (see handout)

Mr. Taylor updated the commission on the status of several ongoing state projects.

West Capitol Campus

PCD staff have met with U.S. Senator Jeff Bingaman and with the U.S. Forest Service (USFS) to develop a plan of action to acquire approximately 2.5 acres of General Services Administration property and seven acres of USFS property, located near the West Capitol Campus. Both agencies have authorization to dispose of the property; however, congressional action is needed to allow the sale to the state without going through the normally required competitive process.

Coughlin Building

The State Board of Finance on November 20 approved the PCD's purchase agreement to buy the Coughlin Building located on the main Capitol campus near the site for the new Capitol parking structure. Mr. Taylor said the PCD expects to receive title to the property on December 28.

Old Metropolitan Court Property

PCD staff met with Bernalillo County Deputy Manager John Dantis in November to discuss the county's possible acquisition of the old metropolitan court property. The county is interested in leasing or purchasing the property, located at 401 Roma, for use as a charter school and reintegration center. PCD staff plan to conduct a site visit on December 12 with Bernalillo County staff.

UNM: Laboratories and Property Exchanges

The request for proposals (RFP) for the qualifications-based selection bid for the "tri-lab" building in Albuquerque was issued on November 8. Due to requests by potential offerors, the original deadline for submission of December 27 was extended to January 17, 2008. A contractor will be selected on January 26 and construction should begin in March or April 2008. The new facility will house the laboratories of the Scientific Laboratory Division of the Department of Health, the Veterinary Diagnostics Services of the New Mexico Department of Agriculture and the Office of the State Medical Investigator.

Galisteo and DeVargas Properties

Mr. Taylor said that the letter of interest that the PCD issued for the Galisteo Street property only generated proposals to lease the property, rather than purchase or trade. The Workforce Solutions Department (WSD) property on DeVargas Street received no proposals, but Santa Fe County had previously expressed interest in the property.

Mr. Taylor said that the WSD is currently looking to relocate to a new site, as part of a human services "one-stop" approach for receiving government services. The WSD has received legislative approval to sell its current building, but because the United States Department of Labor contributed money to buy the present WSD building, any revenue generated from its sale will need to be used for a new building to house the WSD, or a portion of the sale proceeds must be reimbursed to the federal government.

Capitol Parking Structure Update (see handout)

John Petronis, Architectural Research Consultants (ARC), and Mr. Taylor presented to the commission the status of the Capitol parking structure. Mr. Petronis described several options the commission had considered, and the site being recommended for the parking structure. The planning premises that ARC has used for the parking structure include:

- the location will be between Galisteo Street and Don Gaspar Avenue and adjacent to Paseo de Peralta and Manhattan Street;
- multiple levels of parking will be required;
- the highest level of the structure will most likely be an open deck;
- the main vehicular ingress/egress will be from Galisteo Street, with another possible access from South Capitol Place;
- pedestrian access will be from the west, north and east, with a pedestrian pathway from the structure that connects to the Capitol, east of the structure;
- the architectural style of the parking structure will be complimentary to the territorial architecture of the main Capitol and the surrounding community;
- the visual impact of the parking structure will be decreased through the use of landscaping setbacks and design elements;
- the structure will provide capability for automated and staffed access and control;
- no public restrooms will be part of the structure; and
- a maintenance storage room with exterior access will be part of the structure.

Mr. Petronis said that the phase I archaeological studies have been completed, with some historical artifacts found, but no prehistoric artifacts. Phase II of the study should be complete by the time the short list of potential contractors is complete. In the 2007 legislative session, \$11.5 million was authorized to be bonded for a 400-space parking structure. Preliminary estimates suggest it may cost an additional \$4.5 million to \$9 million to design and construct a 600-space structure.

Several issues regarding the operation of the parking structure still need to be resolved, including whether to require visitors to pay for parking and, if so, whether to have a staffed or automatic payment system; and whether to have separate access for state employee users of the structure.

Secretary Miller asked whether Santa Fe County would be using the structure. Ms. Tackett said that after an earlier discussion, the county was informed that the state could not commit to any extra space in the parking structure for use at this time. Speaker Lujan said that the county is still interested in leasing some of the space during the off-season. Secretary Miller asked whether the possible reduction in employee parking needs due to the implementation of Rail Runner service had been considered. She asked if Santa Fe County is including parking for the new courthouse structure. Mr. Petronis said that even with the completion of the Capitol parking structure, a recent study of downtown transportation needs shows that there will still be a parking deficit. Secretary Miller said car pooling and mass transit need to be considered before building more parking structures.

Secretary Jaramillo asked whether the main campus master plan has considered that there will be more state agency buildings in the area, and whether parking needs of that expansion have been considered. Mr. Petronis said that eventually, the entire site near the parking structure may be redeveloped for more government expansion.

Representative Taylor advised the commission to keep abreast of possible State Capitol expansion. Mr. Petronis said that the planning team for the parking structure is aware of the possible layout of the State Capitol expansion. Representative Taylor asked if the plan included an elevated walkway from the parking structure over Don Gaspar Avenue to the Capitol. Mr. Petronis said that this is not currently in the plan, but it could be included as a future possibility, especially if the Capitol is expanded toward the west.

Senator Altamirano said that there is a need for perhaps twice as much parking as is being currently planned. During the legislative session, the area is overfilled with cars. He mentioned the expected increase in visitors to downtown when the expansion of the Museum of New Mexico is completed. He said that he does not expect to see the parking spaces go unused. Finally, he suggested that the parking structure be staffed, so that staff can also act as guides for visitors to the Capitol. He asked if a recent survey on the needs for Santa Fe parking was done, and Mr. Petronis said "no".

Speaker Lujan asked about the estimated cost of the structure, and why the estimate was not finalized. Mr. Petronis said that he will have a more accurate estimate of the design and construction costs within two weeks. The planning team has been using an estimate of \$20,000 per space, but that may not be the actual cost.

State Treasurer Lewis asked whether the parking structure will be ADA-compliant. Mr. Petronis said that it will be ADA-compliant. State Treasurer Lewis asked how the spaces in the parking structure will be distributed in the off-season and if the costs of ongoing operations have been determined. Mr. Petronis said that he thinks the space should serve both state employees

and visitors. With 600 spaces, there will be a net gain of 460 spaces, since the area is currently a parking lot with 140 spaces.

State Treasurer Lewis asked if there have been any revenue estimates of potential fees that might be charged at the parking structure. Ms. Tackett said that the GSD will build the structure, but the Legislative Council will operate it. Revenue estimates have not been done because the final design has not yet been determined nor has the decision to charge fees been made.

Secretary Miller suggested that revenue estimates be made, so that additional bonding capacity could be secured for the structure using fees as a revenue stream.

Secretary Ashman asked what plan there is for the 140 employees who will be temporarily displaced by the construction of the parking structure. Mr. Taylor said it will be difficult to find temporary parking during construction, but that PCD staff are trying to locate some spaces around the Capitol until the structure is finished in January 2009. Senator Altamirano suggested asking the City of Santa Fe to reconfigure adjacent streets so that temporary parking can be established. Speaker Lujan also suggested that the city allow the use of metered parking on Don Gaspar Avenue by state employees.

Mr. Giron said that operations and maintenance of the parking structure need to be considered, so that a realistic fee structure for parking can be implemented. He said that the Rail Runner will probably change state employee transportation patterns dramatically.

Las Cruces State Office Building Study

Mr. Taylor introduced Bill Sabatini, whose company, Dekker/Perich/Sabatini, in conjunction with ARC, performed a study of downtown Las Cruces for potential centralization of state offices. The state currently leases most buildings for use by state agencies in Las Cruces, at a cost of \$1.8 million per year. Bringing many state agency offices into a central state-owned complex would initially cost more than the current leases, but would provide a rather quick payoff. Additionally, centralization would enable "one-stop shopping" of many state services in a "service mall" of government agencies.

The area chosen for the potential development of a state office cluster is in the downtown area of Las Cruces, which is currently attempting its own revitalization project. Several possible locations were identified, and a short list was developed of the most desirable locations. ARC did not recommend a specific site, but determined that each of the possible locations could work. One of the assumptions for each site was that some sort of structured parking would be required. Initial estimates for building 190,000 gross square feet of office space are that the cluster would require three to seven acres, depending on whether a parking structure was built, and would cost \$58 million.

Senator Altamirano asked whether ARC studied the possible acquisition of the Bank of America building, which is currently being leased almost exclusively by state agencies. Mr. Taylor said the building is part of one of the short-listed areas for development. The building is for sale and could work well in conjunction with adjacent sites.

State Treasurer Lewis asked what the impact would be on local businesses if state offices relocated into a central site. Mr. Petronis said that the study did consider the total economic impact of the centralization proposal. He said that the state probably should not immediately vacate some of the newer properties it leases, but that it could do so over time. He said that the public is not served as well as it could be, because there are state offices scattered all over the city.

Mr. Taylor said that Las Cruces is now under the commission's master planning purview. He requested support of the commission for funding to plan, acquire and design a facility. He suggested that the commission revisit the issue for recommendation at its next meeting.

Master Planning Consultant RFP

Ms. Tackett reported to the commission the results of the recent RFP to develop the Las Cruces master plan and to start developing a master plan for state offices and buildings throughout the state. The RFP submission deadline of November 29 yielded one submission from ARC. After reviewing the proposals, ARC's proposal was deemed acceptable and was awaiting action from the commission. Senator Altamirano moved that the proposal from ARC be accepted and that ARC be chosen as the master planning consultant. The commission adopted the motion.

Capital Outlay Requests and Presentations to Commission—Staff Report

Ms. Tackett reviewed the list of capital outlay requests that state agencies presented to the commission in 2007. All of the projects have been planned and are part of the agencies' Infrastructure Capital Improvement plans. Ms. Tackett reviewed the projects most likely to affect the master plans in Santa Fe, Albuquerque and Las Cruces.

The Children, Youth and Families Department (CYFD) proposed that major renovations of the Youth Diagnostic Development Center (YDDC) be reconsidered, said Ms. Tackett, because the commission may recommend relocating YDDC to a new location in Los Lunas and using the existing property for future state buildings. Mr. Taylor said that the CYFD is considering transformation of its juvenile detention programming to a system based on the successful Missouri model, which would require smaller regional facilities.

Speaker Lujan asked whether there is enough funding for completion of the tri-labs in Albuquerque. Mr. Taylor said that the laboratories will only require extra money for furnishings.

Speaker Lujan recommended that if the commission adopts the list of capital outlay projects, it should give preference to projects that are close to completion. He asked about the status of the Department of Public Safety's (DPS) crime laboratory. Ms. Tackett said that the DPS did not present its requests to the commission.

Secretary Miller asked if the DPS crime laboratory is included in the Santa Fe or Albuquerque master plan. Ms. Tackett said that there still is disagreement about where to locate it. The \$1 million appropriation to the DPS last year to plan and design the laboratory in

Albuquerque was rejected by the DPS, which prefers to build the laboratory in Santa Fe. She mentioned that the trade being offered by the University of New Mexico (UNM) for two acres adjacent to the new tri-labs site could be used for the DPS laboratory. Mr. Taylor said that the PCD desires to trade the property regardless of whether the DPS uses the site for its crime laboratory. Secretary Miller asked that Secretary of Public Safety John Denko be invited to present to the commission. She said the issue of where the laboratory is located needs to be decided quickly, so it can be built without further delay.

Proposed Legislation and Recommendations

Ms. Tackett reviewed six proposed legislative initiatives for the commission's consideration. Each of the proposals was adopted by the commission.

- Capitol Parking Structure: Based on demand, additional funding for the Capitol parking structure for the construction of 600 spaces for approximately \$8 million to \$9 million was requested. (Funding for demolition of the Coughlin Building, including asbestos removal, and reconfiguring interim parking on the space may be needed, if not covered by current amounts.)

Both Senator Altamirano and Speaker Lujan indicated that at least 600 parking spaces are needed. Speaker Lujan recommended not including in the RFP the initial cost estimate, because that may skew the estimates of the potential contractors. Ms. Tackett said that there are several funding options, which include increasing the monthly distribution from gross receipts taxes to the State Building Bonding Fund.

- South Capitol Campus Lease-Purchase: In support of the South Capitol Campus, authority to enter into lease-purchase agreements for the South Capitol Campus development.
- South Capitol Campus Development: \$8 million appropriation for phase I of South Capitol Complex development, including the health and human services complex.
- South Capitol Campus Land Exchange: Authority to exchange land in Santa Fe County to facilitate the South Capitol Complex development.
- UNM Tri-Lab Land Trade or Exchange: Authority to trade or exchange the current tri-lab facility on the UNM campus for approximately two acres of land adjacent to or in close proximity with the new state laboratory facility in Bernalillo County. UNM will provide additional remuneration to the state, possibly providing utility and other services, in order to make an equitable trade.
- Statewide Capital Outlay Projects: Support for certain capital outlay projects falling within the master plans under the purview of the commission. Staff will bring a final list to the CBPC in January.

Selection of Future Meeting Date

Commission members selected January 8, 2008 at 2:00 p.m. in Santa Fe for the commission's next meeting.

Ms. Tackett previewed the proposed annual report of the commission, and asked members for input and adoption of the "mock-up".

There being no further business, the commission adjourned at 3:40 p.m.

**UNAPPROVED MINUTES
of the
CAPITOL BUILDINGS PLANNING COMMISSION**

**Tuesday, January 8, 2008
Room 321, State Capitol
Santa Fe**

The meeting of the Capitol Buildings Planning Commission (CBPC) was called to order by Secretary of General Services Arturo L. Jaramillo, co-chair, on Tuesday, January 8, 2008, at approximately 2:15 p.m. in Room 321 of the State Capitol in Santa Fe.

Present

Arturo L. Jaramillo, Secretary, General Services Department (GSD), Co-Chair
Rep. Ben Lujan, Speaker of the House, Co-Chair
Robert Apodaca, Designee for Katherine B. Miller, Secretary, Department of Finance and Administration (DFA)
Stuart Ashman, Secretary, Cultural Affairs Department (CAD)
Deputy Secretary Gary Giron, Designee for Rhonda Faught, Secretary, Department of Transportation (DOT)
Sen. Stuart Ingle, Minority Floor Leader
James B. Lewis, State Treasurer
Joyce S. Pankey, Administrator, State Land Office, Designee for Patrick Lyons, Commissioner of Public Lands
Arthur W. Pepin, Director, Administrative Office of the Courts
Rep. Thomas C. Taylor, Minority Leader

Absent

Senate Member or Designee for Senate President Pro Tempore Ben D. Altamirano, Co-Chair

Staff

Paula Tackett, Director, Legislative Council Service (LCS)
Bill Taylor, Director, Property Control Division (PCD), GSD
Lemoyne Blackshear, PCD
Roxanne Knight, LCS
Tamar Stieber, LCS

Others

Sen. Rod Adair

Guests

The guest list is in the meeting file.

Handouts

Copies of all handouts and written testimony are in the meeting file.

State Forensics Laboratory

Deputy Secretary Paul E. Cook of the Department of Public Safety (DPS), along with Mike Mier, DPS director of technical support, Mark Salvo, acting director of the DPS forensic laboratories and Anthony Pacheco, GSD bureau chief at DPS, explained to the commission why the DPS supports building a new forensics laboratory in Santa Fe rather than Albuquerque. Mr. Cook referred the commissioners to a handout outlining the benefits of building the crime laboratory in Santa Fe, which include:

- ensuring consistent communications with DPS executive management in Santa Fe;
- interacting with the law enforcement academy in Santa Fe;
- facilitating access to DPS administration, legal counsel and information technology (IT) support in Santa Fe;
- enabling use of existing databases;
- using the current security force rather than hiring new employees for building security;
- saving money on air and road travel for court appearances because the existing aircraft and the motor pool are in Santa Fe; and
- preserving the chain of custody and integrity of evidence between the northern forensics laboratory and state police storage, both of which are in Santa Fe.

Mr. Cook said building the state forensics laboratory in Santa Fe will save the state both time and money in the long term. He said that the current crime lab in Santa Fe comprises only 8,000 square feet and that the state already owns land adjacent to the DPS that is well-suited for construction of a 39,000-square-foot crime laboratory. In contrast, he said, the state does not own land in Albuquerque on which to build a new, larger lab; instead, it would have to purchase from or trade with the University of New Mexico (UNM), which he said has a 1.5-acre parcel the state could use. It was later reported that the parcel was slightly larger. Mr. Cook said construction costs in Santa Fe and Albuquerque are "almost equal in every aspect". He expressed concern, too, that if the state builds a forensics lab in Albuquerque, it would lose its forensic scientists from the northern part of the state who commute from Las Vegas and other areas in northern New Mexico. He said the department currently has 10 DNA scientists on staff.

Mr. Cook estimated it would cost about \$35 million to construct and equip a new full-service crime lab. Mr. Cook was asked if the legislature had already appropriated \$1 million to plan and design the laboratory. Mr. Cook noted that the appropriation was specific for use at an Albuquerque location.

Responding to questions about location, the number of labs, turnover and recruitment, the DPS representatives offered that the DPS has its main forensics laboratory in Santa Fe and a second one in Las Cruces, which employs six full-time staffers — four chemists and two

forensic scientists — who will continue to do drug chemistry and analysis for southern cases. The City of Albuquerque has its own crime lab, which serves Bernalillo County, while another small state DPS lab is being established in southeast New Mexico.

The department reported that GSD has not yet issued a request for proposals (RFP) because the location of the new crime lab is still in debate (although Mr. Taylor, PCD staff, clarified that an RFP was issued and then canceled).

Mr. Cook reported that recruiting forensic scientists in New Mexico is difficult; they can "name their price (ranging in the six figures on the East Coast) and go where they want to go". He said that recruiting is enhanced by Santa Fe art, culture and outdoor living.

The turnover rate among forensic scientists in Santa Fe has been normal to low. The DPS has not surveyed law enforcement agencies around the state to determine whether they would prefer the state crime lab to be located in Santa Fe or Albuquerque. In relation to usage by law enforcement agencies and the courts, Mr. Cook explained, the DPS plans to have videoconferencing available in the proposed new crime lab. The current videoconferencing system in Santa Fe "works well for what it is", according to Mr. Cook. He added that some judges are reticent about using videoconferencing in court.

Regarding motor pool cars, Mr. Cook said the DPS has vehicles assigned to its crime laboratories and that the number is "a little high at this time". However, he said, if someone needs an additional car, "they're right there".

When asked whether law enforcement gets many experts from outside of the state and, if so, whether flight times might be shorter if they flew into and out of Albuquerque instead of Santa Fe, Mr. Cook said it depends on where they are going. He said the department generally relies on state aircraft to transport its forensic scientists between Santa Fe and other parts of the state.

Speaker Lujan asked whether a more centralized location than Santa Fe for the crime lab, such as Albuquerque, would save time and money. Mr. Cook responded that scientists often submit their evidence by registered mail. Otherwise, he said, there is an invisible line crossing the state: any evidence from south of Socorro goes to the Las Cruces lab; anything from north of Socorro goes to Santa Fe, although the southern lab cannot process all the types of forensics that the Santa Fe lab can process.

When asked about the estimate for lab construction, Mr. Pacheco said he anticipates that the Santa Fe crime lab will cost \$35 million, including \$2.6 million — or 8.1 percent — in engineering and design fees. He projected that actual laboratory space will take up approximately 19,000 square feet — or about half the 39,000 square feet of *usable* space in a 60,000-square-foot building — and cost more than \$460 per square foot to construct; administrative space will account for a quarter of the total footprint and run approximately \$250 per square foot; and storage and garage space will use the remaining 25 percent and cost an estimated \$150 per square foot. Figuring in all of the ancillary costs — landscaping, site

preparation, parking, equipment, etc. — Mr. Pacheco said the lab will run approximately \$900 per usable square foot (e.g., \$35 million ÷ 39,000).

Speaker Lujan asked if that figure is "pretty average for this type of facility". Mr. Pacheco acknowledged that he has not overseen construction of a facility such as this one before but that he believes his figures are pretty standard. Speaker Lujan advised Mr. Pacheco that those sorts of questions will come up during the legislative session and that Mr. Pacheco should have firmer figures to offer.

"I don't know who figured the numbers for you, but they don't seem to fall in place", Speaker Lujan said. "Even at \$480 per square foot times 60,000 (gross square feet), that comes to \$27 or \$28 million. The numbers don't jive". He noted, too, that a 60,000-square-foot building is a good deal larger than the 39,000 square feet in the department's original request.

Mr. Cook responded that the figures are estimates and that, without a specific program and experts in the field to put the laboratory together, all the numbers are projections. He said those are the numbers the department gathered off the internet.

Speaker Lujan said, "We need to sharpen our pencil" and that the department should have done some planning to get concrete numbers. It cannot go to the legislature with such soft numbers and asked about the governor's position on the project. Mr. Cook said the governor wants the crime lab built in Santa Fe. Speaker Lujan responded that the governor does not have the information to make that decision because the department does not have any concrete numbers. Mr. Cook said the \$35 million projection comes from other labs. "These are complex buildings," he said. "That's why we're asking for a million dollars to get the programming, so we can give you concrete numbers."

Speaker Lujan replied that, realistically, the department is looking at \$600 per square foot for a 60,000-square-foot building.

Senator Ingle indicated, in response to an assertion that there was not any other land available, that the senator had understood that UNM had 1.8 to 2.0 acres available next to the tri-lab and that UNM is more than willing to exchange part of its land to the state for a crime lab, which is why the Senate wanted the crime lab to be located in Albuquerque. He said the police departments he deals with send most of their forensic evidence to Albuquerque. "That's the impression I get from interested parties," he said. "I know (Secretary) Denko wants it in Santa Fe. But the land is available (inferring in Albuquerque) as far as I'm concerned."

Secretary Jaramillo said that the UNM property, which comprises 1.87 acres, is proximate to the location of the new tri-lab (the Office of the Medical Examiner, veterinary diagnostic services and the state laboratory) in Albuquerque. He said the state has been discussing for a long time a trade with UNM, to include extra compensation from the university in addition to the land. Ms. Tackett said the university indicated during the last legislative session that it is willing to do a swap. Mr. Taylor said that the UNM parcel would be sufficient for the crime lab, but said that parking for all the labs would be tight. He said the tri-lab, which

has a 180,000-square foot building on five acres, is already "taking a hit" on parking. Adding a 60,000-square-foot building on less than two acres of land would put the state "in dire straits for parking", he said, especially because the veterinary laboratory has to accommodate livestock trailers. Further discussion ensued about whether livestock actually would be transported to the laboratory. Senator Ingle was questioning whether animals are actually taken to the lab or if samples are taken in the field and shipped to the lab.

Secretary Ashman said he did some quick math using the DPS figures and only came up with a total of \$17.9 million to build the crime lab. He said he did not expect the CBPC to object to moving the lab to Santa Fe, but recommended that the DPS consider "the big picture" and have a better breakdown of the numbers when the issue goes before the legislature. He then moved that the commission support the change in the appropriation language to plan and design the forensics laboratory in Santa Fe. Speaker Lujan seconded the motion. Senator Ingle said he planned to vote "no" on the motion because he does not have enough information to endorse the project. "There are obviously disagreements here," he said.

Mr. Pepin noted that the legislature had already determined that the best place to locate the crime lab would be in Albuquerque and asked Mr. Cook if he intends to persuade the legislature differently in the upcoming session.

"I have a different boss and that boss said 'no' to Albuquerque," Mr. Cook replied. He then invited Senator Ingle specifically, and the commission generally, to call him if they want to tour the lab in Santa Fe.

The motion passed, with Senator Ingle voting "no" vote and Ms. Pankey abstaining. Representative Taylor was absent during the vote. The remaining commissioners voted in favor of the motion.

Capitol Buildings Master Plan (See handout.)

Andy Aguilar and John Petronis of Architectural Research Consultants (ARC), Inc., updated the commission on the following projects:

1. a new substance abuse treatment and training center in Los Lunas for the Human Services Department (HSD); and
2. the Children, Youth and Families Department's (CYFD's) proposed residential treatment centers for juvenile offenders based on the "Missouri Model", which emphasizes group therapy in relatively non-institutionalized surroundings; and the relocation of the Youth Diagnostic and Detention Center (YDDC) facilities to Los Lunas.

Regarding item number 1, Mr. Aguilar explained that the substance abuse treatment center is now scheduled for construction in two phases instead of the original three. Phase 1 will include two projects: a lease-to-own outpatient treatment and training center and a 16-bed women's residential treatment center. The HSD already has a \$5 million appropriation for the project, which will be used for a second phase — a capital project for a state-owned, 16-bed men's residential treatment center for which the HSD is requesting an additional \$5.9 million for

a combined \$10.9 million. Mr. Petronis said the state is looking at several possible sites for the Los Lunas treatment center, including the Los Lunas Correctional Facility, Los Lunas Hospital and on grasslands adjacent to the Pueblo of Isleta.

The CYFD projects will be completed in three phases, to include:

- renovation of the J. Paul Taylor Center in Las Cruces to a 40-bed boys' residence;
- replacing the existing YDDC facility in Albuquerque with a 50-bed boys' residence and a 30-bed girls' residence to be located in Los Lunas with shared administrative support and facilities. This might require a 10- to 15-acre site with a potential project construction cost of \$25 million to \$30 million; and
- two additional 50-bed facilities to serve the northwest and southeast quadrants of the state.

Speaker Lujan moved to support the projects. Representative Taylor inquired as to why the HSD's 16-bed substance abuse treatment facility costs three times as much as a 40-bed facility in Farmington. Paula Maglioni, general services bureau chief, HSD, concurred that the project is expensive at \$300 per square foot and said she would be interested to find out the details about the Farmington facility. She said the project is "a whole new field" for her and that she has been working closely with Mr. Aguilar and Mr. Petronis. She said the initial planning and design phase will help fine-tune the costs.

Addressing Representative Taylor, Secretary Jaramillo said the commission's focus should be limited to whether a project conforms with the capitol buildings master plans. Speaker Lujan said he agreed with Secretary Jaramillo. Representative Taylor said he recognizes the mission of the CBPC and understands that money does not play a role in its decisions. But, he said, "when the rubber meets the road, that's one area I think you need to justify. . . I think we need to remain aware that we have to carry those plans out. It's important that we're ready to defend those costs when we start building those facilities".

Mr. Petronis concluded the discussion of the "preliminary plan for Albuquerque" by including a review of the YDDC site. He said that moving the YDDC from Albuquerque to Los Lunas could make way for a "super block complex" that might include a CYFD youth reintegration center and a youth detention center, a New Mexico Corrections Department adult detention center, a Department of Health youth psychiatric treatment center and administrative offices for both the CYFD and the DOT. Mr. Petronis presented a conceptual plan of the complex, but recommended finding an alternate site for the DOT and its traffic control center.

Secretary Jaramillo asked if there had been discussions with the DOT's district engineer about the YDDC site. Mr. Petronis indicated that he has not had those discussions. Also, Mr. Petronis said he wanted to keep open the option of putting a Rail Runner stop on the site, near a retention pond that the county wants to install. Ms. Tackett said legislation already was adopted in 2007 to allow for a five-year lease on the property by the county for a retention pond with an option to purchase. She wondered if Mr. Petronis' concerns would require a change in the legislation.

Mr. Petronis offered the following recommendations to the commission:

- support for HSD and the CYFD plans for the long term; and
- continue overall strategic asset management planning to transition from leased to state-owned facilities.

Mr. Petronis stressed the preliminary nature of the Albuquerque plan, noting that the master planners need to do additional infrastructure planning to support future development.

Secretary Jaramillo entertained a motion and a second endorsing the Los Lunas treatment center and the CYFD projects. The motion passed unanimously.

State Property Updates and Project Status

Mr. Taylor of the PCD provided the following updates:

Coughlin Building

The state has finalized purchase of the Coughlin Building, which is temporarily in use by the PCD and the state legislature until its demolition in a few months.

UNM Land and Building Exchange

The GSD wants a joint resolution authorizing a land exchange at UNM for the old tri-lab building.

Main Capitol Complex

Several pieces of Santa Fe property may be available for trade to the state for the main capitol complex. Mr. Taylor asked the commission to consider high-level preliminary discussions to see if the properties fit into the master plan.

Capitol Parking Structure

The state will be short-listing for a contractor for the capitol parking structure on January 9. Mr. Taylor said the project is moving along "expeditiously". It is possible that some artifacts located in a corner of the site could cause delays.

South Campus Development

The GSD and the DOT have initiated discussions on a possible joint effort to develop the south campus.

Capital Outlay Requests and Initiatives

Ms. Tackett and Gary Carlson presented three pieces of legislation drafted at the commission's request:

1. a bill to increase the gross receipts tax distribution to the State Building Bonding Fund to cover the increased costs of the Capitol parking structure. Ms. Tackett said the tax increase would generate almost \$9 million to pay the construction costs of an additional 200 parking spaces — for a total of 600 spaces — in the proposed parking structure;

2. a joint resolution to dispose of the state's old tri-lab building located on the UNM campus in a sale to or trade with the university; and
3. a joint resolution to trade three parcels of state land located in the Joseph Valdes Industrial Park in Santa Fe for land contiguous with the South Capitol Complex.

The commission passed the first two items unanimously. It tabled the third item because it lacked specificity. The commission endorsed the following capital outlay requests, which fall within master-planned areas of state government:

- funding for Phase I of the South Capitol Complex development program to design and construct, and acquire and install equipment for, a health and human services complex;
- funding to acquire, build or renovate a Las Cruces state office building for the co-location of state agencies in Dona Ana County;
- funding for Phase I to plan and design an executive office building at the Main Capitol Campus;
- funding to plan, design, construct or renovate, and acquire and install equipment for, a substance abuse treatment facility in Los Lunas;
- funding to furnish and equip the New Mexico History Museum;
- funding for renovations and repairs at CAD facilities statewide;
- funding to purchase, install, replace and upgrade security systems at CYFD facilities statewide;
- funding for programming and renovations at the J. Paul Taylor Center for a pilot "Missouri plan" youthful rehabilitation program; and
- funding for water line repairs and replacement at the YDDC facilities.

Secretary Ashman recused himself from voting on CAD projects.

The meeting adjourned at 4:00 p.m.

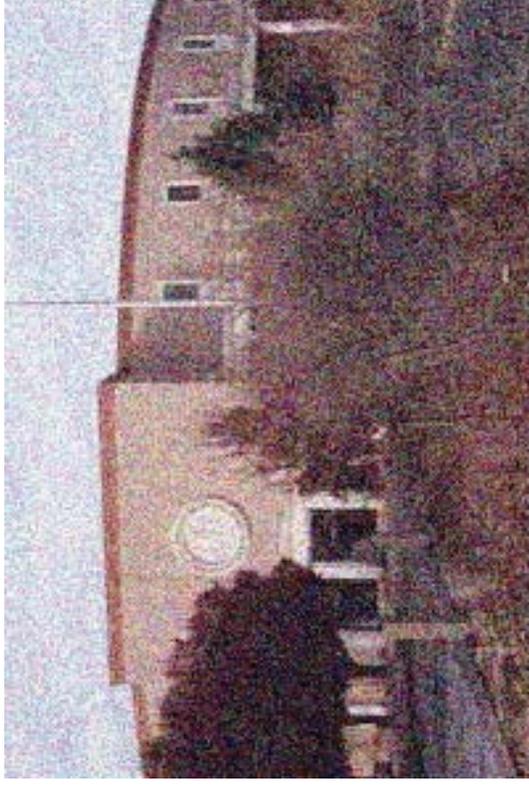
**CAPITOL
BUILDINGS
MASTER PLAN
ATTACHMENTS**

State of New Mexico Capitol Buildings Master Plan

Capitol Buildings Planning Commission

January 12, 2007

Status Report



The ARC - Dekker/Perich/Sabatini Association

Agenda

- ✓ **Master Plan Update**
 - ▶ General status
 - ▶ Santa Fe and Albuquerque Area updates
 - Bank of the West
 - Super Block (YDDC)
 - Los Lunas Sites
 - ▶ Other
 - Metro Court
 - Expand to Las Cruces
 - ▶ Potential Legislative Initiatives

Status

- ✓ **Santa Fe and Albuquerque Area**
 - ▶ Questionnaires and interviews are completed for state departments and agencies
 - ▶ Summaries have been developed
 - Existing Space Use
 - Staffing
 - Future Programs and Services
 - Location and Relationships
 - Functional and Physical Issues

Status

- ✓ **Santa Fe**
 - ▶ Developed implications for the “super-complex” project
 - ▶ Prepared preliminary updates for each capitol campus
 - ▶ Prepared Capitol Parking Structure Siting Analysis
- ✓ **Albuquerque Plan**
 - ▶ Completed site tours and existing planning data
 - ▶ Completed supply and demand analysis
 - ▶ Planning opportunities and issues identified

Status

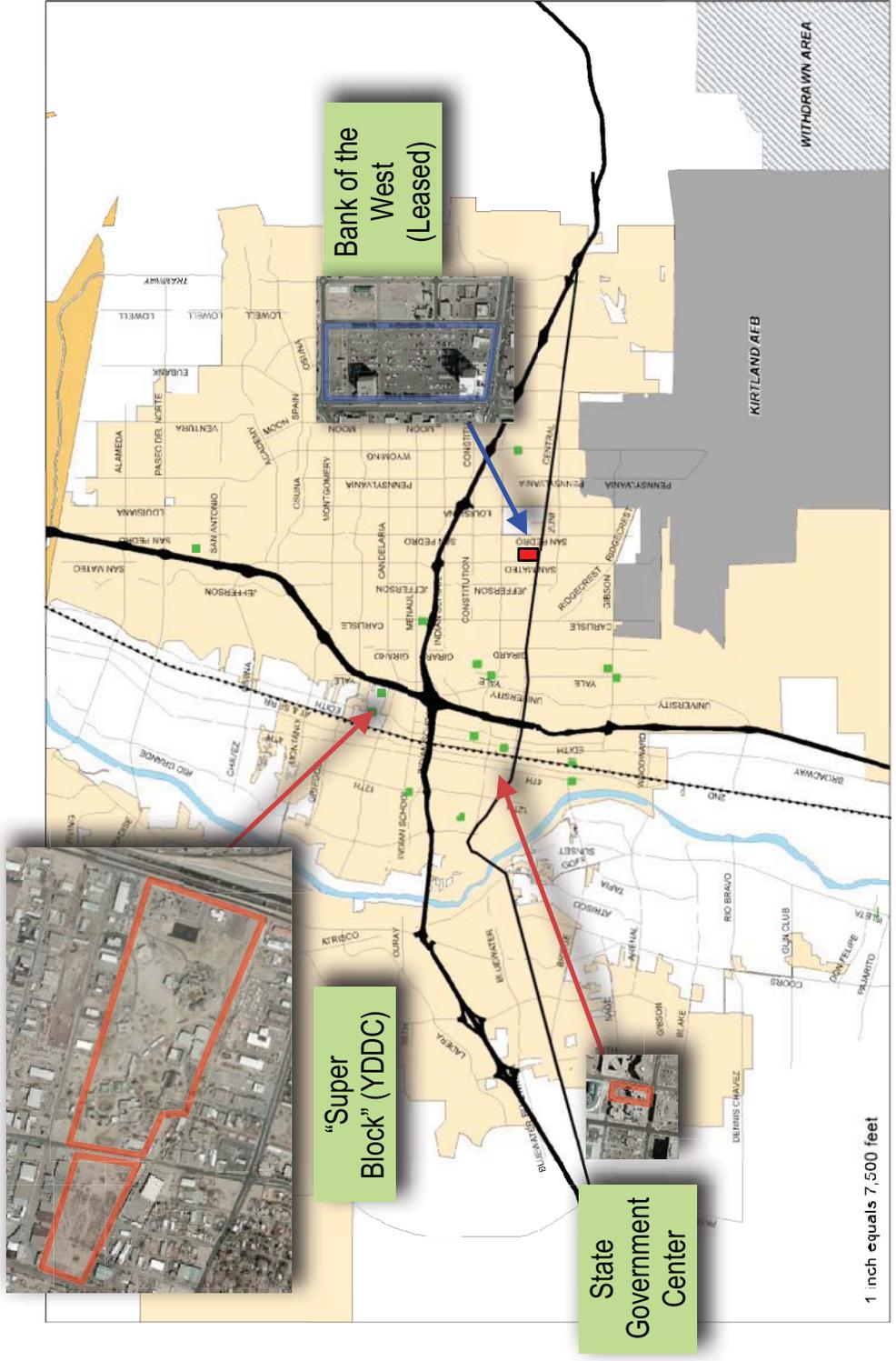
- ✓ Conducted additional studies to respond to 8.30.96 CBPC directives to:
 - ▶ Advise due diligence activities for potential purchase of Bank of the West building
 - ▶ Further evaluate the Super Block Complex (YDDC site)
 - Potential state uses for YDCC Super Block Complex
 - Investigate new locations for these functions
 - ▶ Investigate development options for state property in the Los Lunas area

Albuquerque Area

✓ General Goals

- ▶ Co-locate state agencies to achieve functional, operational and logistical efficiency and allow one-stop-shopping for services by the public.
 - The overall intent is to foster “synergy” for a group of services that is greater than the sum of the collective parts
- ▶ Realize economic efficiencies
 - Promote economies of scale and asset sharing (e.g., parking, lobbies, receiving, meeting areas, tele-conferencing, etc.)
 - Reduce recurring state expenditures for long-term leases
 - Reduce operational expenses
 - Provide long-term asset value

Location of Subject Properties



Bank of the West

- ✓ The Bank of the West site (Central and San Mateo) accounts for ~20% of the total Albuquerque area leased square feet and cost
 - ▶ \$2.5 million annual lease cost
 - ▶ 187,000 lsf, ~ 11 acres
- ✓ 50% of the functions can serve the public from a central location are at this site

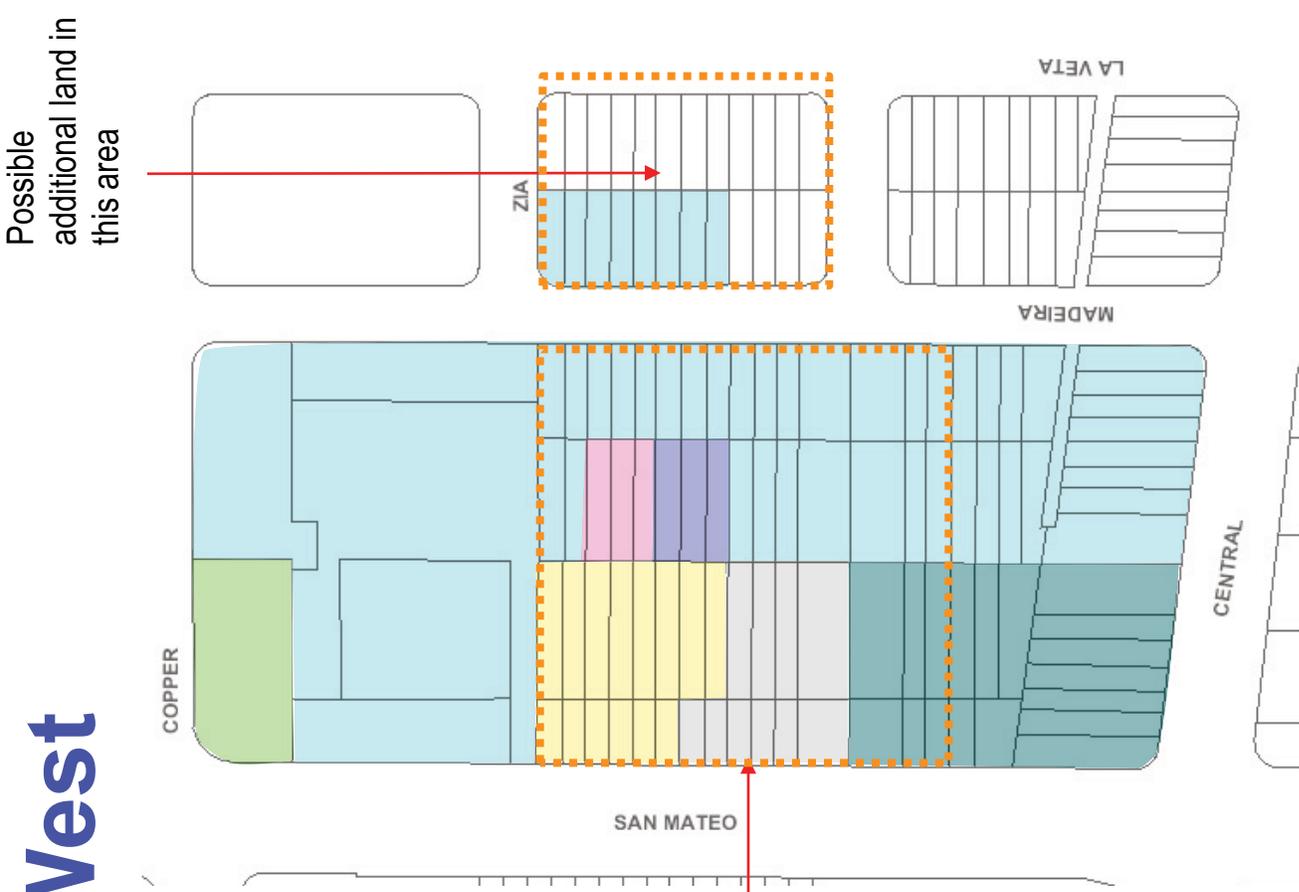


Bank of the West

✓ Land Ownership

- ▶ Each color indicates a different owner

Some parcels are leased by owners



Bank of the West

- ✓ Site has about 290,000 sf
 - ▶ State leases about 60% of available space currently
- ✓ Property is for sale – \$30 million asking price
- ✓ Purchase of the site presents an opportunity to continue to consolidate state functions in a central location as well as to decrease annual lease costs

Bank of the West

- ✓ Due Diligence Questions
 - ▶ Are there any issues associated with the physical condition of the building systems?
 - ▶ Are there building code or other compliance issues?
 - ▶ What is the capacity of the site, facility and infrastructure systems to accommodate current and future state space requirements.
 - ▶ What are the impacts of existing leases on potential state occupancy?
 - ▶ Does the configuration of the building and site provide flexibility to accommodate general functional requirements of state agencies?

Bank of the West

- ✓ **Bank of the West Due Diligence Process**
 - ▶ Collect and review relevant existing information (including previous reports, space files, schedule files, site plans and appropriate building plans) from building owner representatives
 - ▶ Evaluate physical condition and potential code issues based on tours, discussions with owner representatives and document analysis
 - ▶ Explore suitability of use by matching existing and projected state administrative space needs to floor space available in existing facilities, parking availability and potential for expansion of the site
 - ▶ Analyze lease terms of land parcels and existing tenants to identify potential phasing impacts
 - ▶ Identify preliminary estimates of probable cost of construction to occupy and address any potential upgrades to building systems that may be required
 - ▶ Assess existing operating costs and compare them to the operating costs of other comparable facilities
 - ▶ Prepare a report that summarizes the results of the study and recommendations

Super Block Complex (YDDC site)

✓ Site: ~91 acres



Super Block Complex (YDDC)

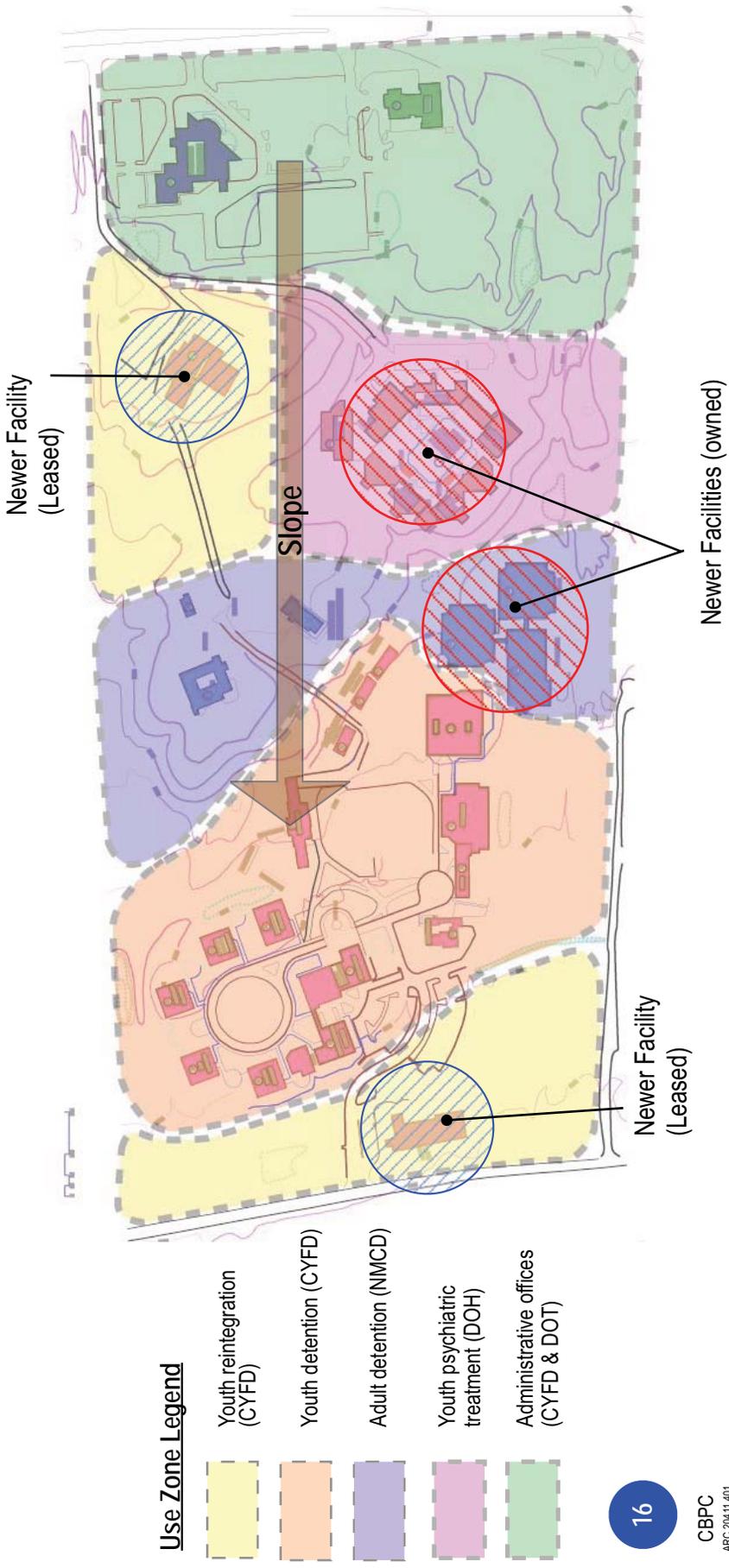
- ✓ Super Block Complex (YDDC)
 - ▶ 262,000 gsf of facilities – ~91 acres
 - ▶ Generally occupied by specialized (correctional/treatment) facilities
 - ▶ Pros
 - Prime location ... excellent freeway visibility and access, near rail line (but not a proposed station)
 - Some development potential (~15 acres of land available west of Edith Boulevard and redevelopment of ~10 acres on eastern part of site on frontage road)
 - ▶ Cons
 - Significant deficiencies identified (\$25 m with a \$54 m replacement cost for YDDC [46%], \$1.8 m with a \$9.9 replacement cost for Sequoyah [19%])
 - ▶ Thoughts
 - Correctional/treatment is probably not the best long-term land use ... consider as a site for long-term redevelopment

Super Block Complex (YDDC)

- ✓ Collected additional information about the site and surroundings:
 - ▶ Zoning and land use
 - ▶ Ownership of surrounding parcels
 - ▶ Utilities services
 - ▶ Topography
 - ▶ Facility condition
 - ▶ Current occupants

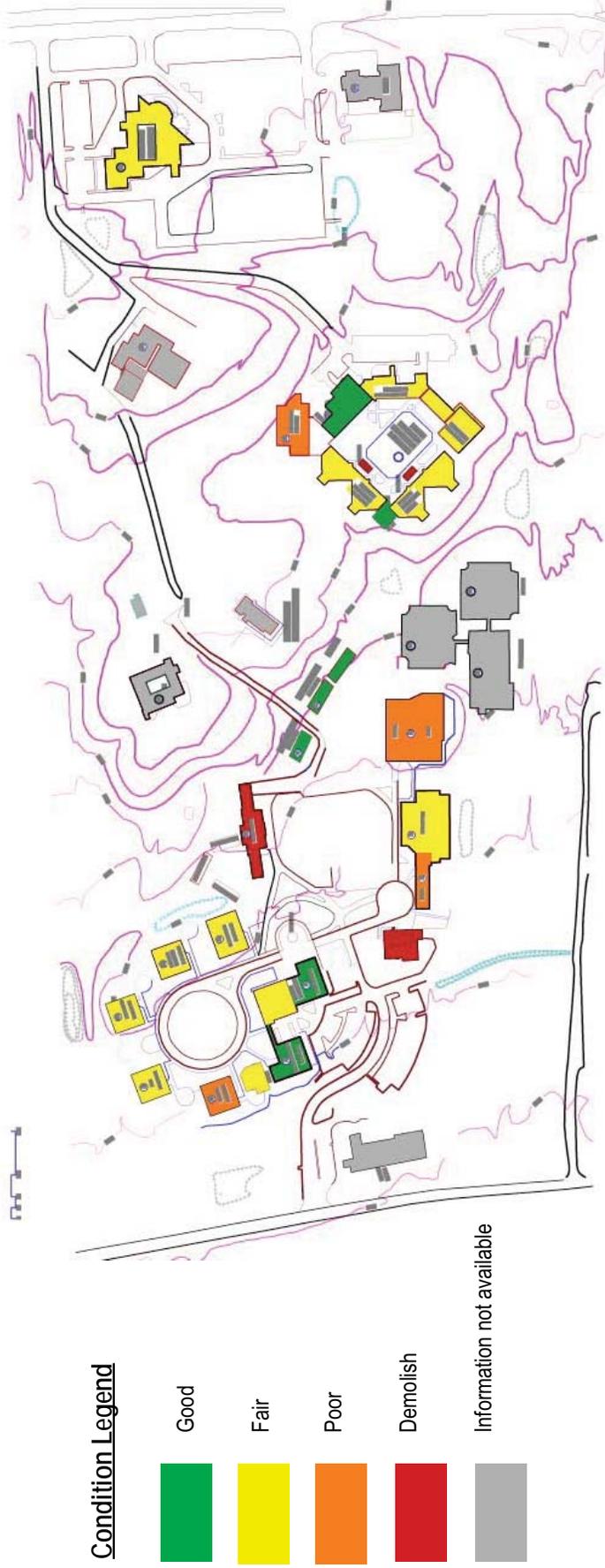
Super Block Complex (YDDC)

- ✓ Multiple Users
 - ▶ CYFD, DOH, DOT, NMCD
 - ▶ Site use zones
- ✓ Site use facilities vary in age and condition
- ✓ Significant Slope

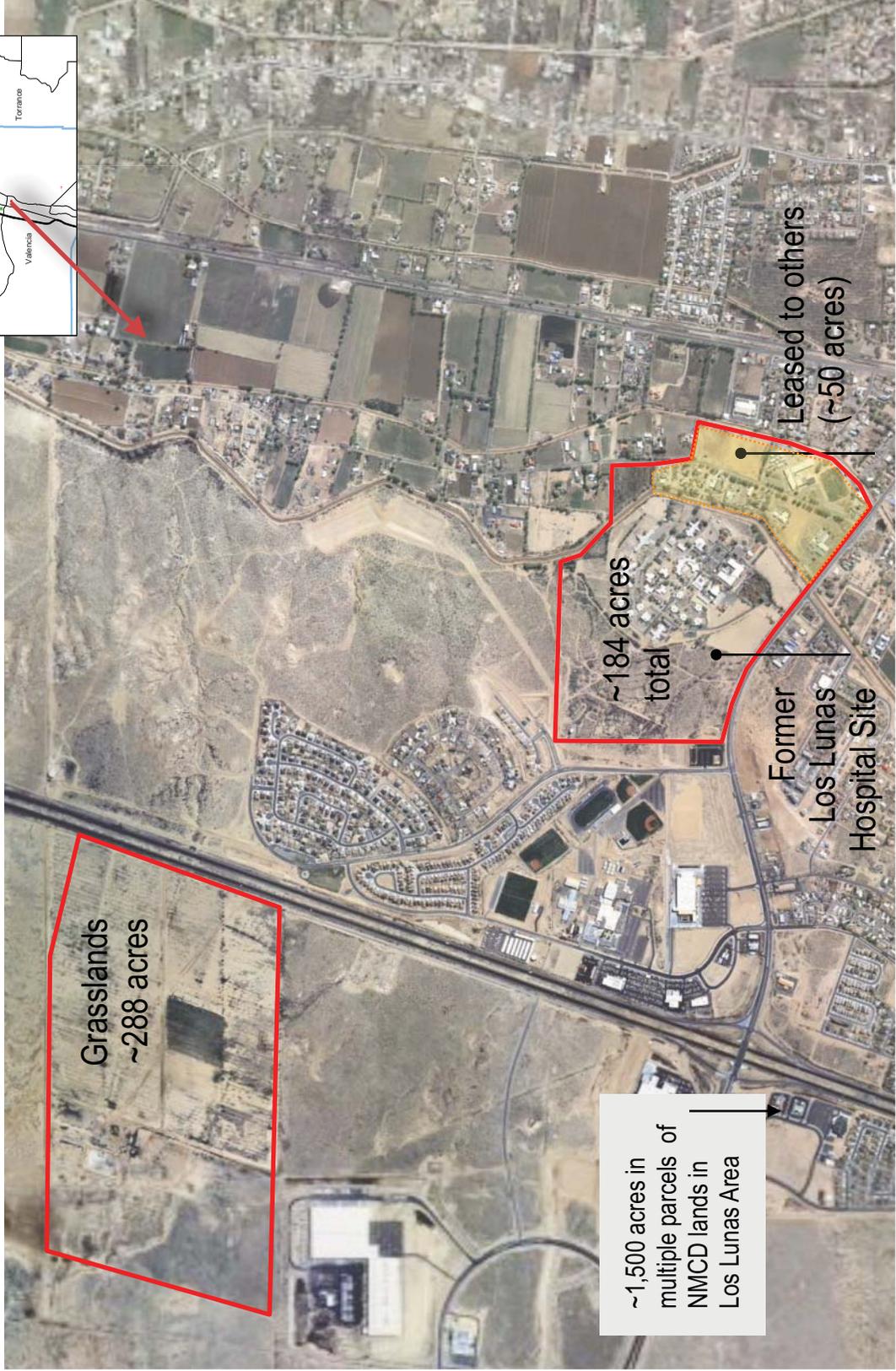
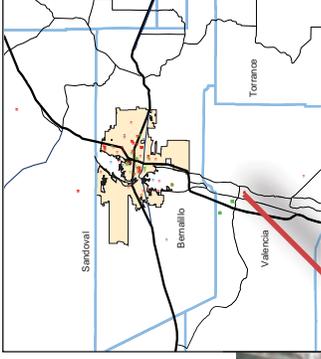


Super Block Complex (YDDC)

✓ Building condition



Los Lunas Sites



Los Lunas Sites

- ✓ 325,500 gsf – ~184 acres former hospital site, plus nearby 280 acres “grasslands” site and ~1,000 acres of vacant NMCD property
- ✓ Former hospital site ... now being used by a variety of state, county, village and school uses ... but majority of square footage is vacant
- ✓ Pros
 - ▶ Significant land asset ... located in a growing area
 - ▶ Excellent access ... freeway access ... near a Rail Runner stop
- ✓ Cons
 - ▶ Significant facility deficiencies and vacant buildings (\$51.6 million identified with a \$68.5 replacement cost [74%])

✓ Thoughts

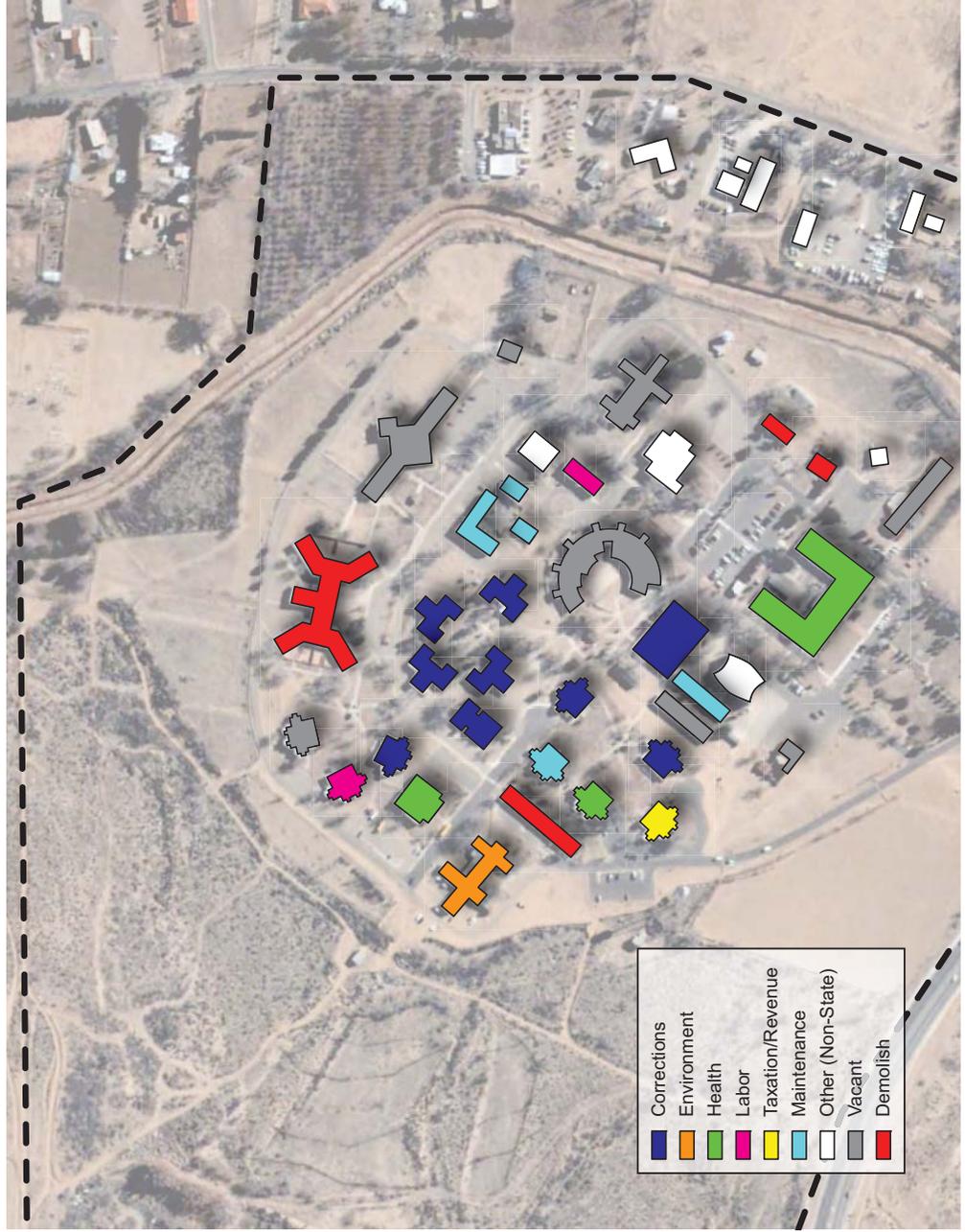
- ▶ Redevelop Hospital site to serve state agencies in Valencia County. Explore land sales, long-term land lease, and private development options
- ▶ Keep grasslands site to meet potential long-term state development needs
- ▶ Explore long-term relocation of a portion of YDDC site uses to this area

Los Lunas Sites

- ✓ Collected additional information about the site and surroundings:
 - ▶ Zoning and land use
 - ▶ Ownership of surrounding parcels
 - ▶ Utilities services (partial)
 - ▶ Topography
 - ▶ Facility condition
 - ▶ Current occupants
 - ▶ Additional state land ownership in the area

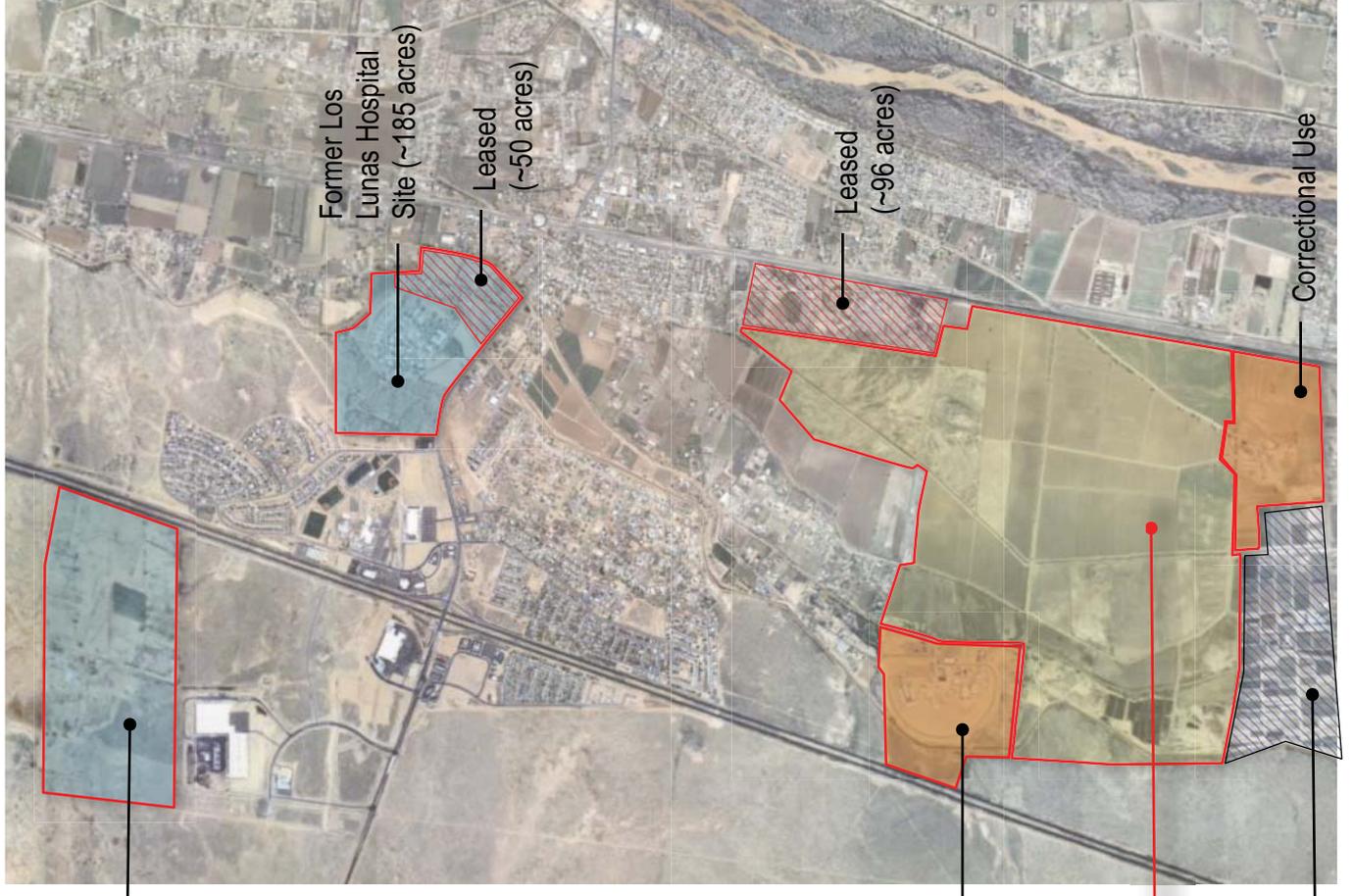
Los Lunas Sites

✓ Old Los Lunas Hospital Site Users



Los Lunas Sites

✓ State land ownership in vicinity



Grasslands (~288 acres)

Former Los Lunas Hospital Site (~185 acres)

Leased (~50 acres)

Leased (~96 acres)

Correctional Use

State Owned - NMCD Land (~1200 acres)

NMSU Agricultural Science Center

Path Forward

- ✓ Both the Super Block (YDCC) and Los Lunas sites have great long-term development potential
- ✓ Developing an overview of opportunities and constraints is relatively easy – further planning requires more in-depth analysis including:
 - ▶ formal discussions with multiple cabinet agencies regarding current and future needs
 - ▶ detailed site and building investigations
- ✓ Request direction whether we should proceed with these studies (may require additional funding) or initiate a study under a separate contract

Other Issues

✓ State Government Center

- ▶ Given to the state – former Metro Court
 - 65,000 gsf, ~ 1.0 acres , 31 parking spaces
- ▶ Pros
 - Prime location - Near courts and local government offices
 - Excellent access (cars, buses, rail)
- ▶ Cons
 - Lacks parking (but structured parking could be added or leased nearby)
 - Requires major upgrades to make ready for tenants
- ▶ Thoughts
 - Not a facility that the state would have likely purchased
 - State should invest resources for renovation (\$7m requested) or consider divesting (sell or trade)



Other Issues

- ✓ Las Cruces Metro Area
 - ▶ Las Cruces shares similar issues as Albuquerque – large of amount of lease space and limited amount of state-owned facilities
 - 230,000 LSF @ \$1.8 m annual cost
 - Own about 20,000 gsf (3 facilities)
 - ▶ The study recommends a new state office building on a site in downtown Las Cruces

Other Issues

- ✓ Las Cruces Metro Area (continued)
 - ▶ Las Cruces is outside the jurisdiction of the CBPC
 - ▶ Recommend that the legislature consider extending authority of the CBPC to the Las Cruces area in order to:
 - Examine and validate the state's capital needs in New Mexico's third largest metropolitan area
 - Coordinate potential funding with overall state goals

Potential Legislative Initiatives

- ✓ Provide additional PCD Staff (2006 recommendation)
 - ▶ Provide 3 additional staff for master planning and asset management
 - Reflects expanded role and provides an additional strategic asset management focus
 - Results
 - Improved staff efficiency and responsiveness
 - Links master planning to standards development, design and implementation
- ✓ Bank of West Due Diligence Study (as required)
- ✓ Albuquerque Government Center – Invest or Divest
- ✓ Capitol Complex Parking - Proceed on design and planning
- ✓ Albuquerque Super Block & Los Lunas Site Detailed Planning
- ✓ Expand CBPC authority to Las Cruces area

State of New Mexico Capitol Buildings Master Plan

Capitol Buildings
Planning Commission

September 24, 2007

(Revised 9.25.07)



The ARC – Dekker/Perich/Sabatini Association



Agenda

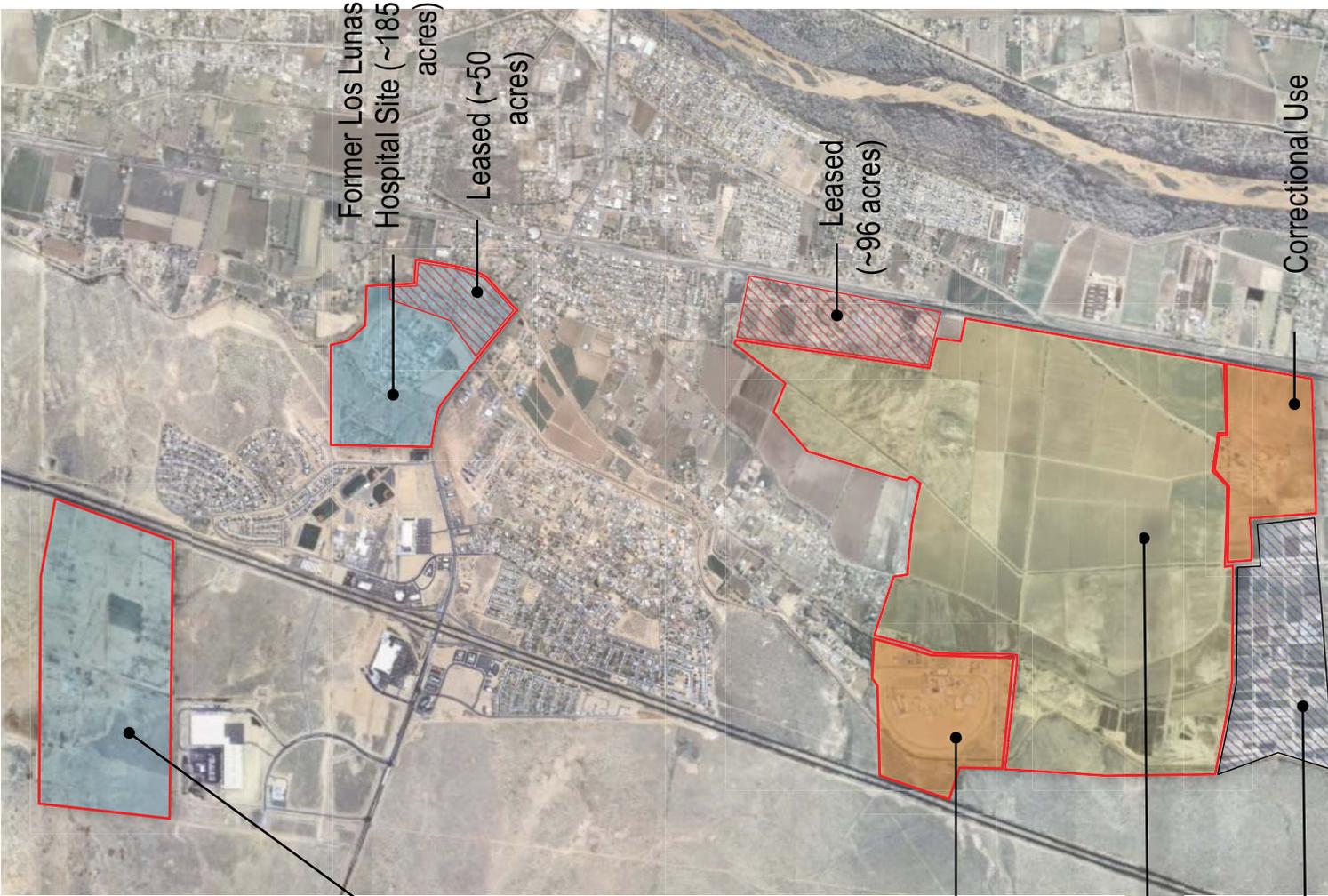
- ✓ Status Update
 - ▶ *Los Lunas area sites*
 - ▶ *Albuquerque area*
- ✓ South Capitol Master Planning Review

Los Lunas Area



State-Owned Property in Los Lunas

- ✓ State land ownership
- ✓ Sites are not incorporated into the village
- ✓ Nearly 2,000 acres





Los Lunas Area

- ✓ Demand drivers
 - ▶ *Population of Valencia County will continue to grow*
 - ▶ *Transportation infrastructure will continue to improve*
 - Public transportation (Railrunner)
 - Road improvements
 - ▶ *Existing state lands will be impacted by population growth*
 - ▶ *Population growth will require larger state presence to serve that population*



Los Lunas Area

- ✓ **Owned* – 141,600 gsf** (rounded)
 - ▶ *Field office - 28,270 gsf*
 - ▶ *Controlled Residential - 49,630 gsf*
 - ▶ *Special Use - 2,000 gsf*
 - ▶ *Public Safety - 16,975 gsf*
 - ▶ *Recreation - 18,100 gsf*
 - ▶ *Administrative use - 6,400 gsf*
 - ▶ *Support - 20,250*
- ✓ **Leased – 87,959 LSF**
 - ▶ *Office: 86,314*
 - ▶ *Storage: 1,645*
- ✓ **Total space occupied by state agencies**
 - ▶ **= 232,700 gsf****



Los Lunas Area

✓ Other potential or planned uses

▶ *Human Services Department*

- Substance abuse program for meth-amphetamine
- \$5 million appropriated by legislature
 - Phase 1
 - » Outpatient Treatment Center (28,000) – Lease to own
 - Phase 2
 - » 16 bed women’s residential treatment facility (24,000 sf)
 - » Requesting \$5.9 m additional from legislature
 - Phase 3
 - » 16 bed men’s residential treatment center (~20,000 sf)

▶ *State Game and Fish*

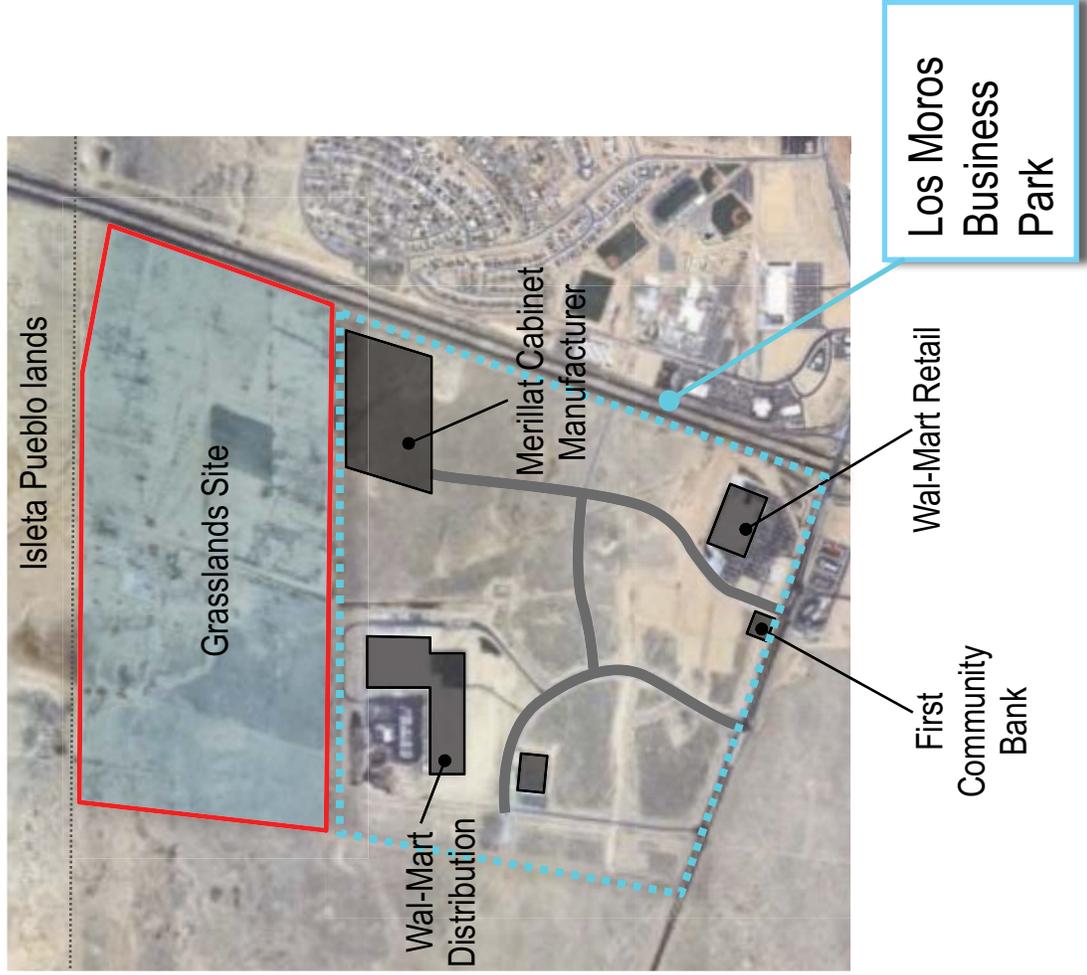
- Refugium for the Silvery Minnow on the NE corner of the Los Lunas II ospital site is under construction
- Will use some of the site’s water rights



Grasslands Site

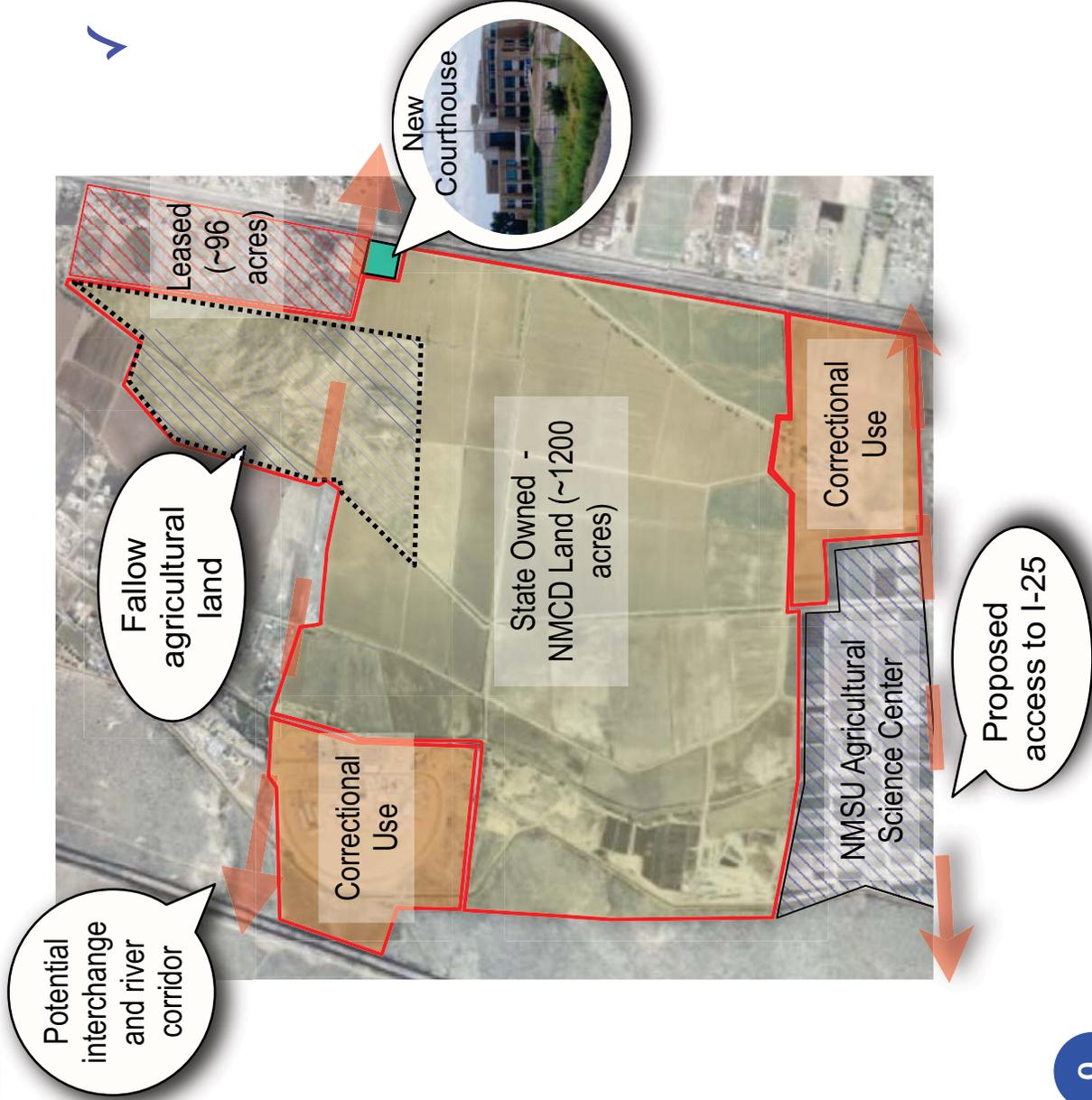
✓ Site Characteristics

- ▶ *Approximately 288 acres*
- ▶ *Vacant land*
- ▶ *Surrounding use*
 - Light industrial (south)
 - Isleta Pueblo (north)
 - Undeveloped - future use not determined (west)
- ▶ *Utilities nearby (Village of Los Lunas)*
- ▶ *Site has water rights*





Corrections Site



- ✓ Site characteristics
 - ▶ Existing uses include Corrections facilities, agricultural, leased to others
 - ▶ Not in Village boundary
 - ▶ Access/visibility
 - Most lands have low visibility and local road access
 - Potential new interchange and river bridge corridor in the area
 - ▶ Site has water rights
 - ▶ Adjacent lands will likely develop as residential



Los Lunas Hospital Site



- Congested traffic conditions on Main Street

- ▶ **Existing utilities (Village of Los Lunas)**

- ▶ **Existing Use**

- Western portion
 - Vacant, developable land
- Central Portion
 - Former hospital complex
 - Multiple state users
- Eastern portion
 - Leased to others

- ▶ **Surrounding Use**

- Educational, residential institutional and commercial

✓ Characteristics

- ▶ **Physical**

- Large - 185 acres
- Partially undeveloped
- Buildings are in poor condition (a lot of investment required)

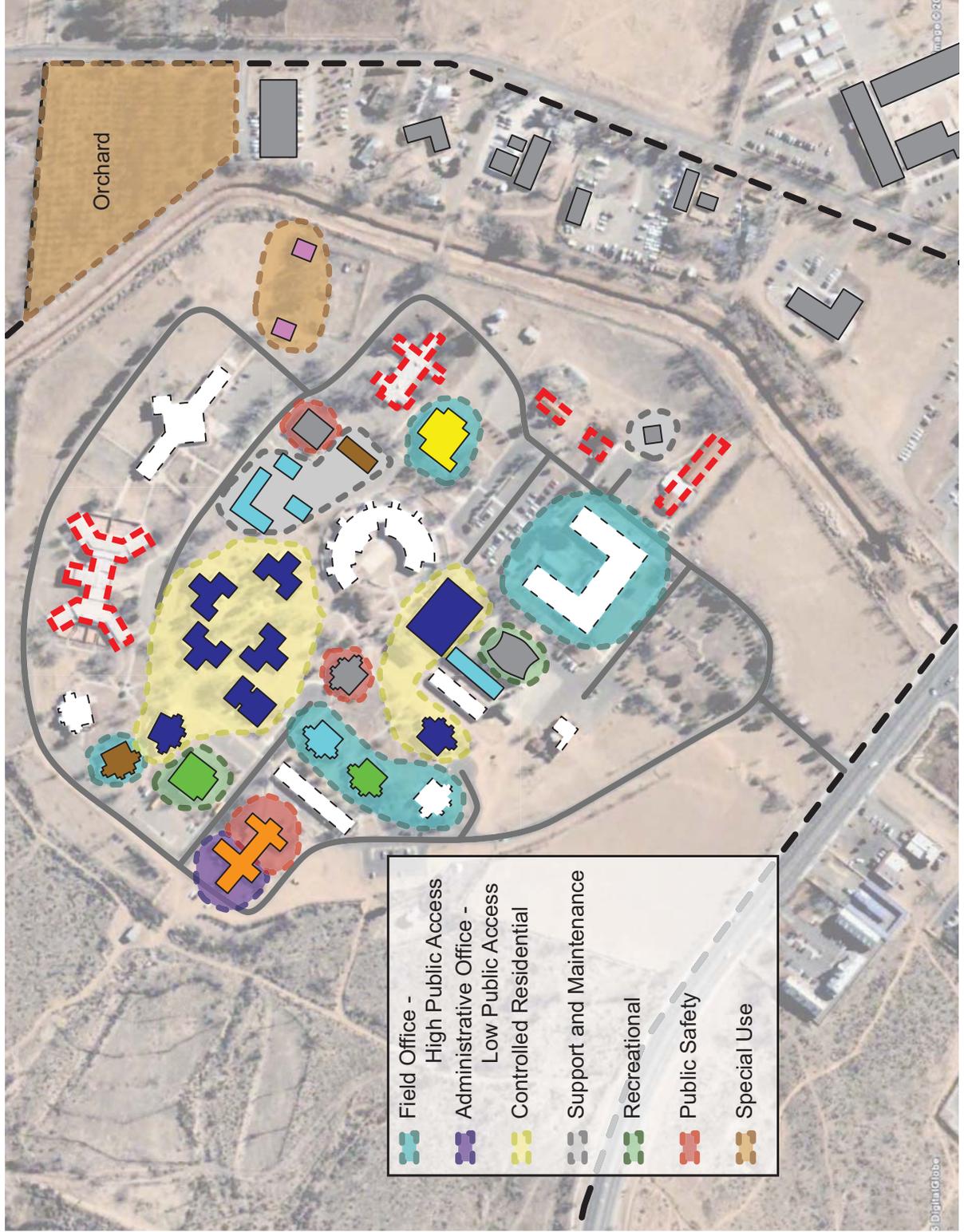
- ▶ **Access**

- Good access and visibility



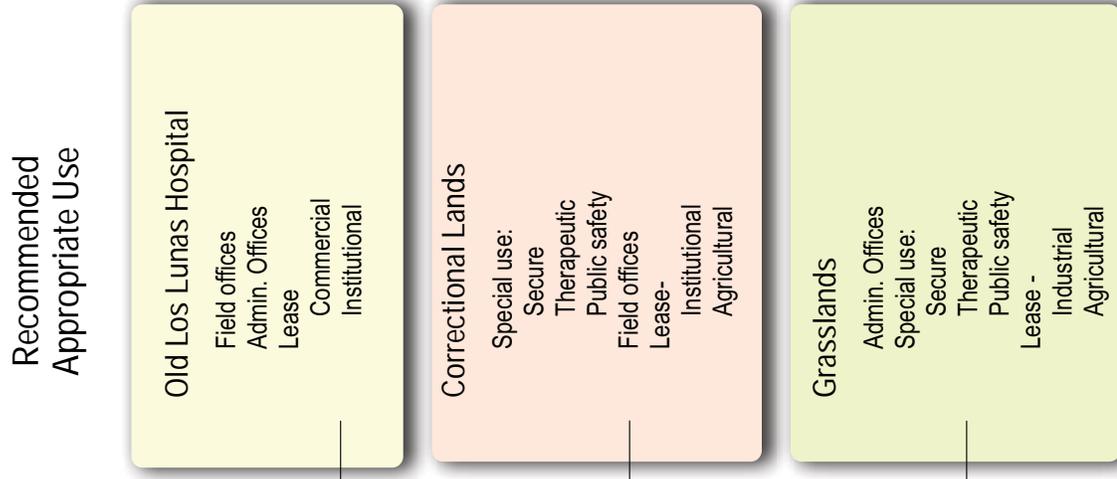
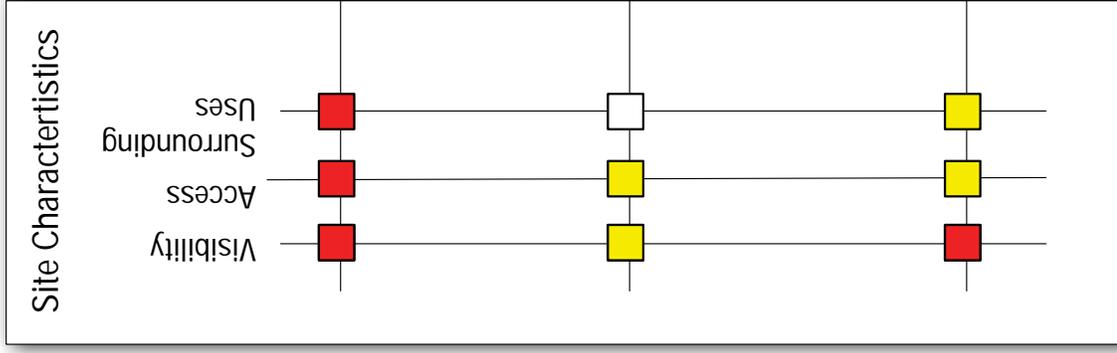
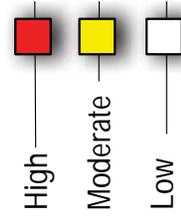
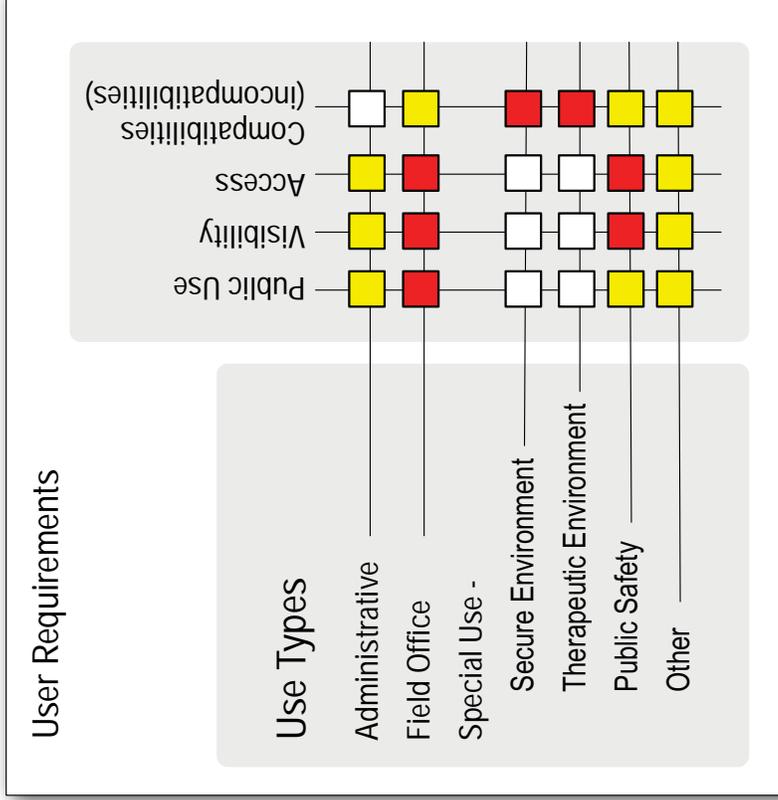
Los Lunas Hospital Site

✓ Hospital Site Facility Users





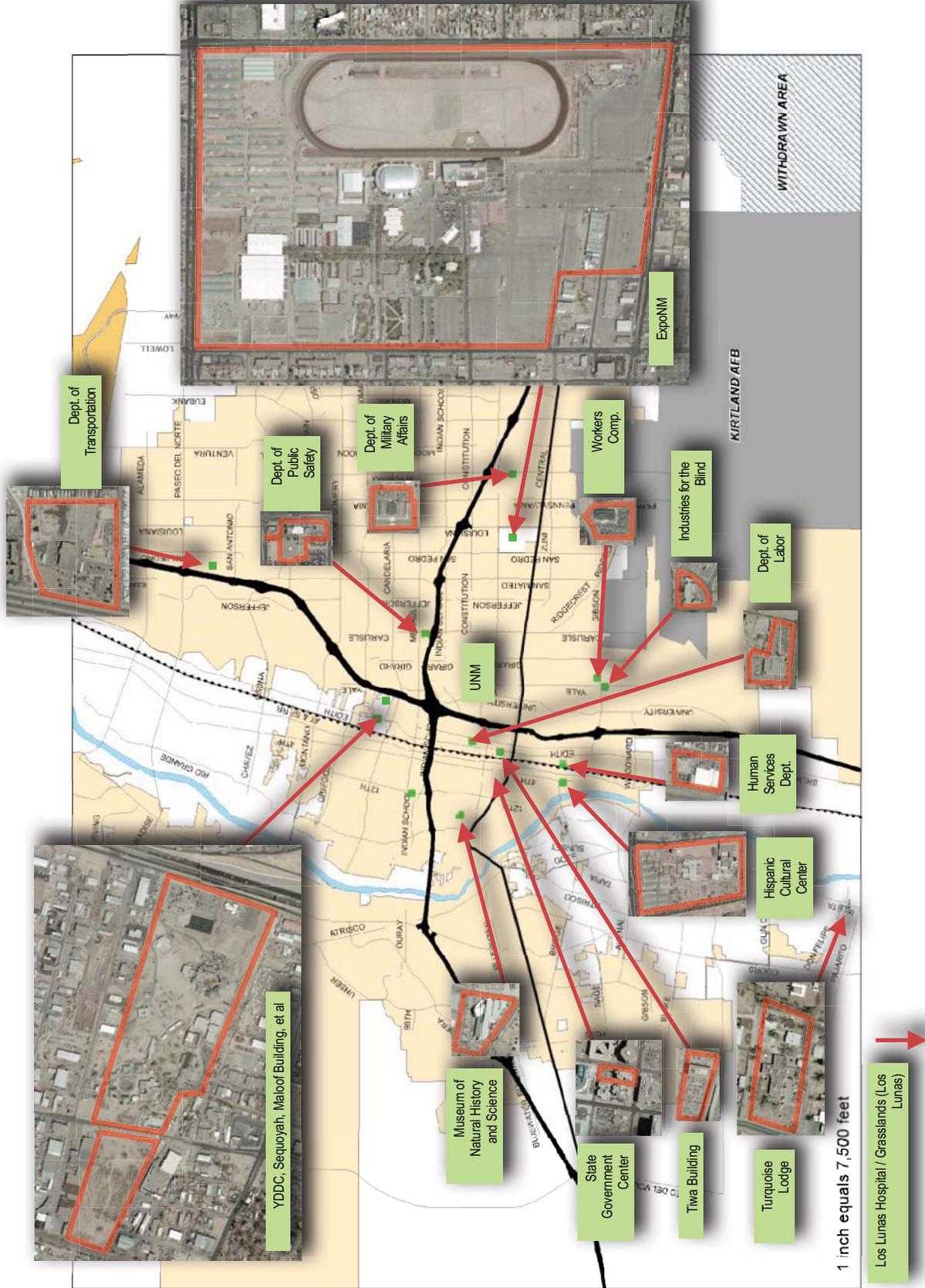
Appropriate Use Matrix



Albuquerque Area



State Owned Properties in Metropolitan Albuquerque

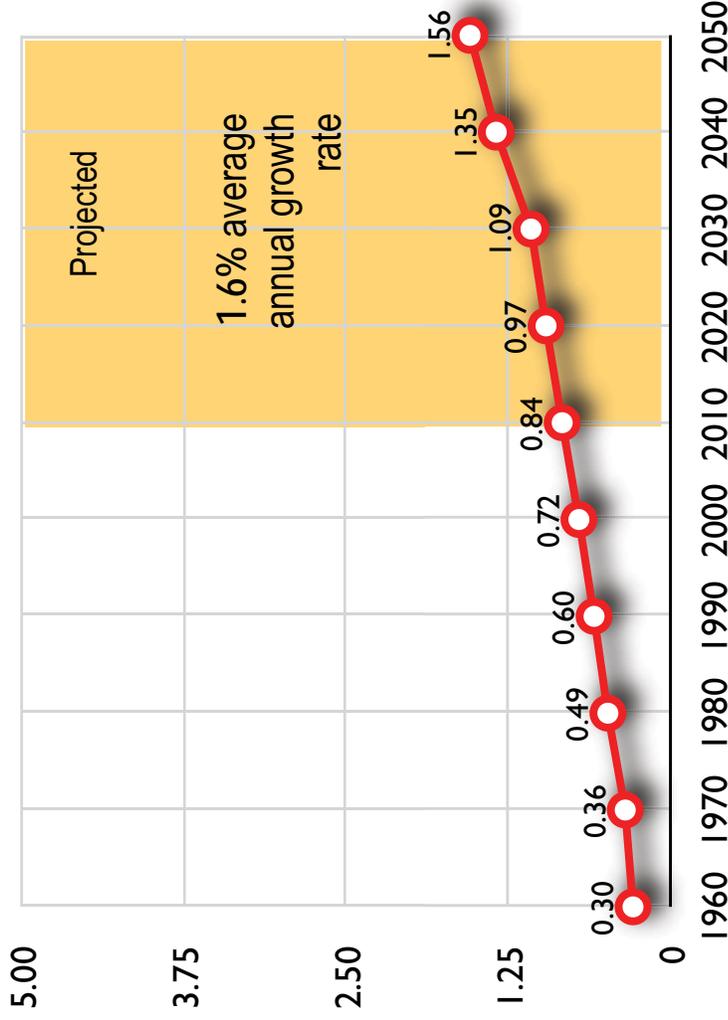




Albuquerque Area

- ✓ Region is expected to continue to grow ... population and geographically – implication is continued growth of state facilities

Albuquerque MSA Population (millions of people)

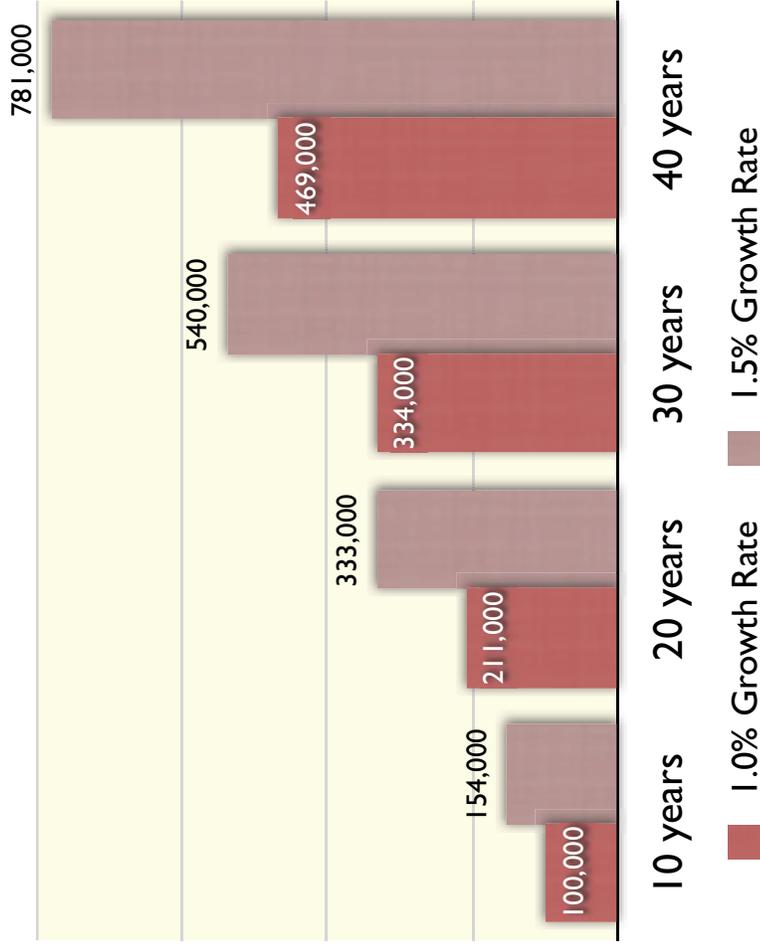




Albuquerque Area

✓ The need for state office space will double in 40 years assuming a 1.5% annual growth rate

Additional Office Space Needed in Albuquerque Area – GSF Equivalent

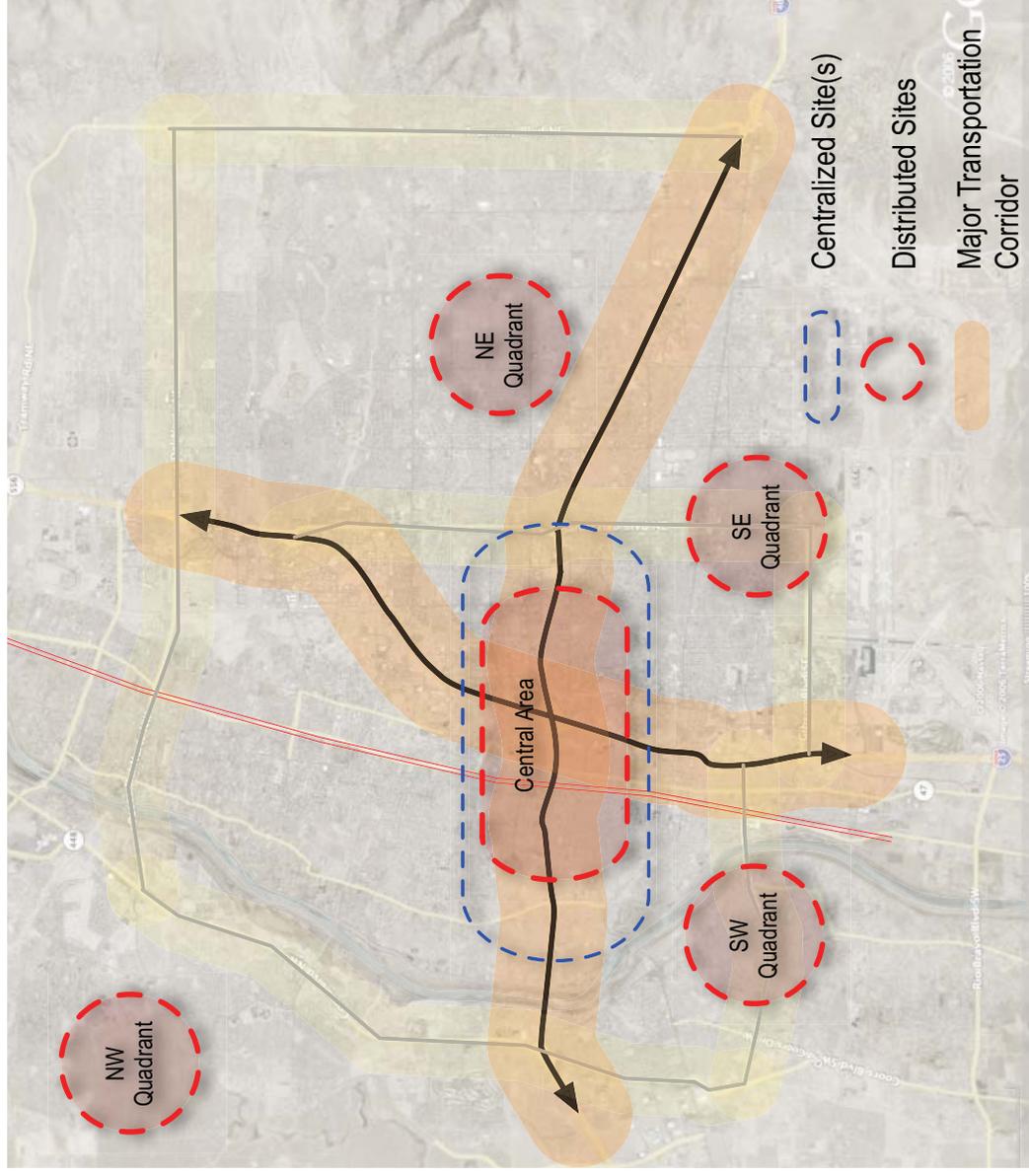


Note: The state currently leases about 960,000 gsf (equivalent) of office space in the Albuquerque area (does not include office needs associated with specialized uses)



Albuquerque Area

- ✓ Explore developing state campuses via
 - ▶ *Purchase of existing*
 - ▶ *Lease - purchase*
 - ▶ *Direct state capital development*





Albuquerque Area

✓ Super Block Complex





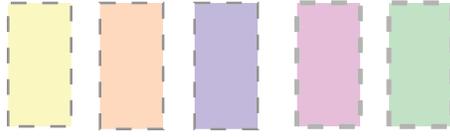
Super Block Complex

✓ Site use zones

► *Multiple Users*

- CYFD, DOH, DOT, NMCD

Use Zone Legend



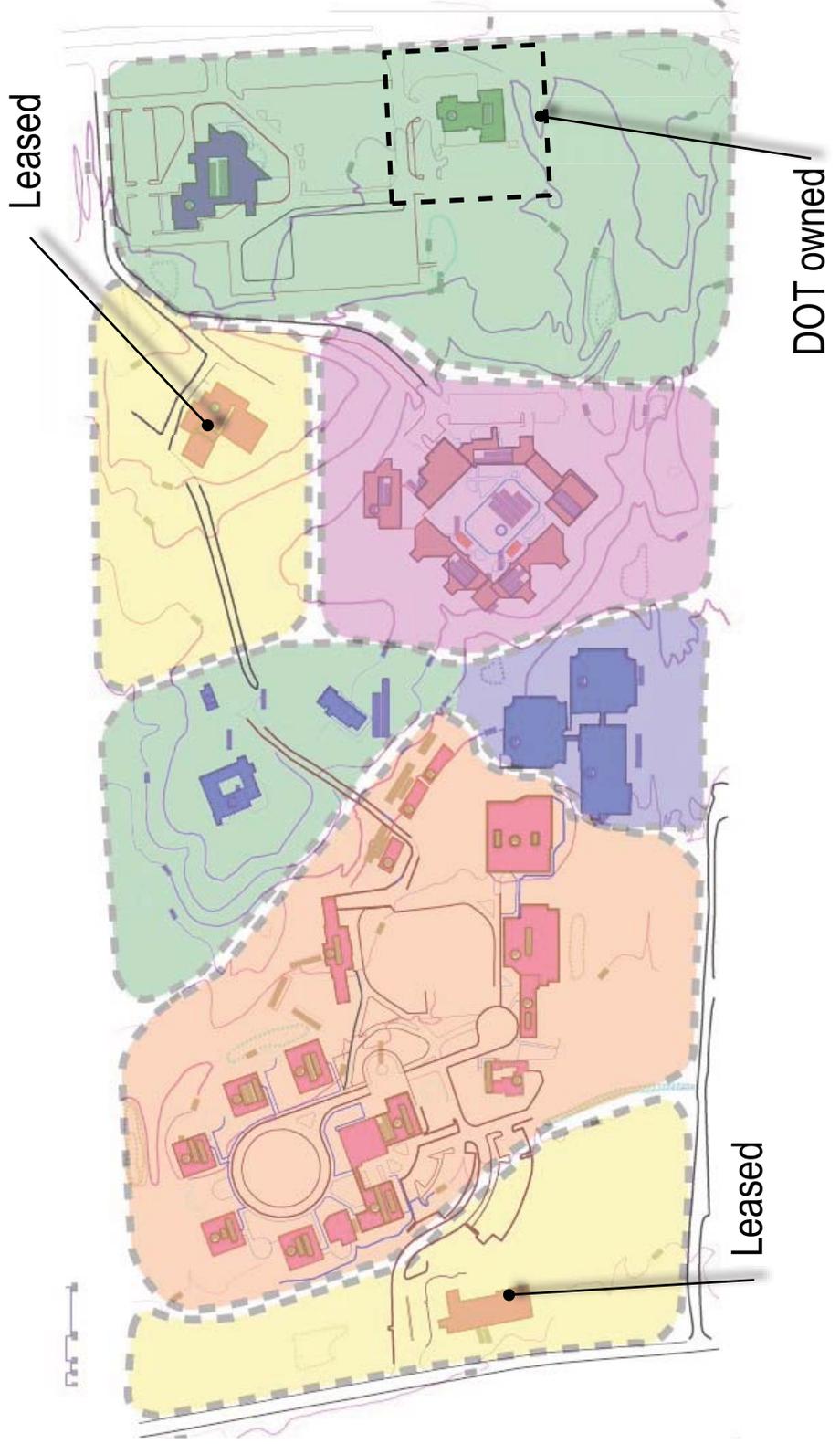
Youth reintegration (CYFD)

Youth detention (CYFD)

Adult detention (NMCD)

Youth psychiatric treatment (DOH)

Administrative offices (CYFD & DOT)





Super Block Complex

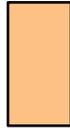
- ✓ Special use tenants have long-term commitments
 - ▶ *Tenants interviewed (Sequoyah, YDDC, Camino Nuevo) reported significant facility investments and geographic advantages for current location*
- ✓ Administrative tenants are “occupying space”
 - ▶ *Located at site only because space was available - do not need to stay at this location*
- ✓ Utilities are available throughout site
 - ▶ *Capacity is limited*
 - ▶ *Existing systems are in need of retrofitting*
- ✓ Proposal for use of undeveloped land
 - ▶ *DOT is interested in portion of land adjacent to their property*



Super Block Complex

✓ Developable portions of complex

Condition Legend



DOT Site



Most desirable, easy to develop, good access/visibility



Developable, but less accessible/visible



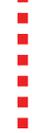
Long-Term Tenants



Desired Buffer Zone

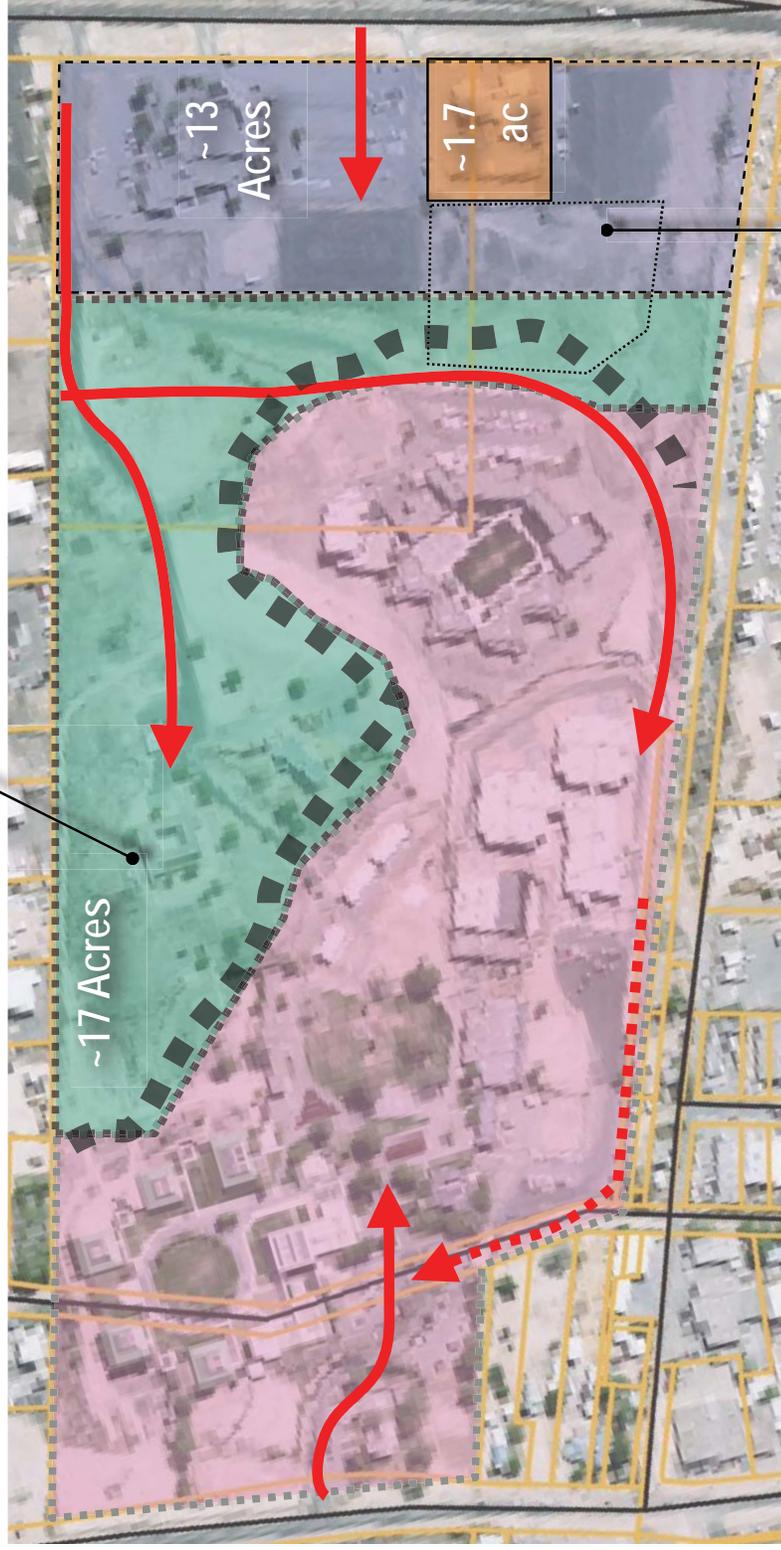


Suggested Access



Potential Access

Significant slope in this area affects development potential



Note: For comparison, the size of Bank of the West property is 10.85 acres

Potential DOT lease area



Super Block Site Complex

- ✓ Constraints
 - ▶ *Topography is difficult on large portion of site*
 - ▶ *Infrastructure - utilities are limited in capacity and condition is fair*
 - ▶ *Existing facilities vary in condition but will need ongoing renewal*
 - ▶ *Existing programs are ongoing - intend to stay but might be relocated as development pressures increase*



Super Block Site Development

✓ Opportunities

▶ *Phased development*

- Eastern 13 acres are readily developable and can potentially serve as a location for a portion of the state agencies located on leased property in the area
- Consider purchase of DOT lands and not entering into any long-term lease commitments

▶ *Candidates*

- A agencies that tend to serve professional community or government personnel or provide statewide services
 - Public employees interests
 - Commissions and boards
 - Regulation and Licensing authorities
- Current total space occupied by candidate agencies = ~200,000 SF (interpolated)
 - Current total staff occupying candidate agencies' space = ~650 persons (interpolated)
 - Site size required to support current and future needs for a campus of this size = 10.21 acres



Super Block Campus

✓ Users

▶ CYFD

- Temporary facility - partnership with EMNRD

▶ *Bernalillo County - 2007 HJR 14:*

- Right-of-way for widening of Edith Boulevard
- County to construct detention pond to store runoff - leasing property with option to purchase within 5 years

✓ Potential State Use

▶ *Specialty use*

▶ *Railrunner station and parking*

10.5 acres to County



Remaining 4.5 acres state owned



Railrunner station in Bernalillo = 2.3 acres

South Capital Planning Review



General Policies

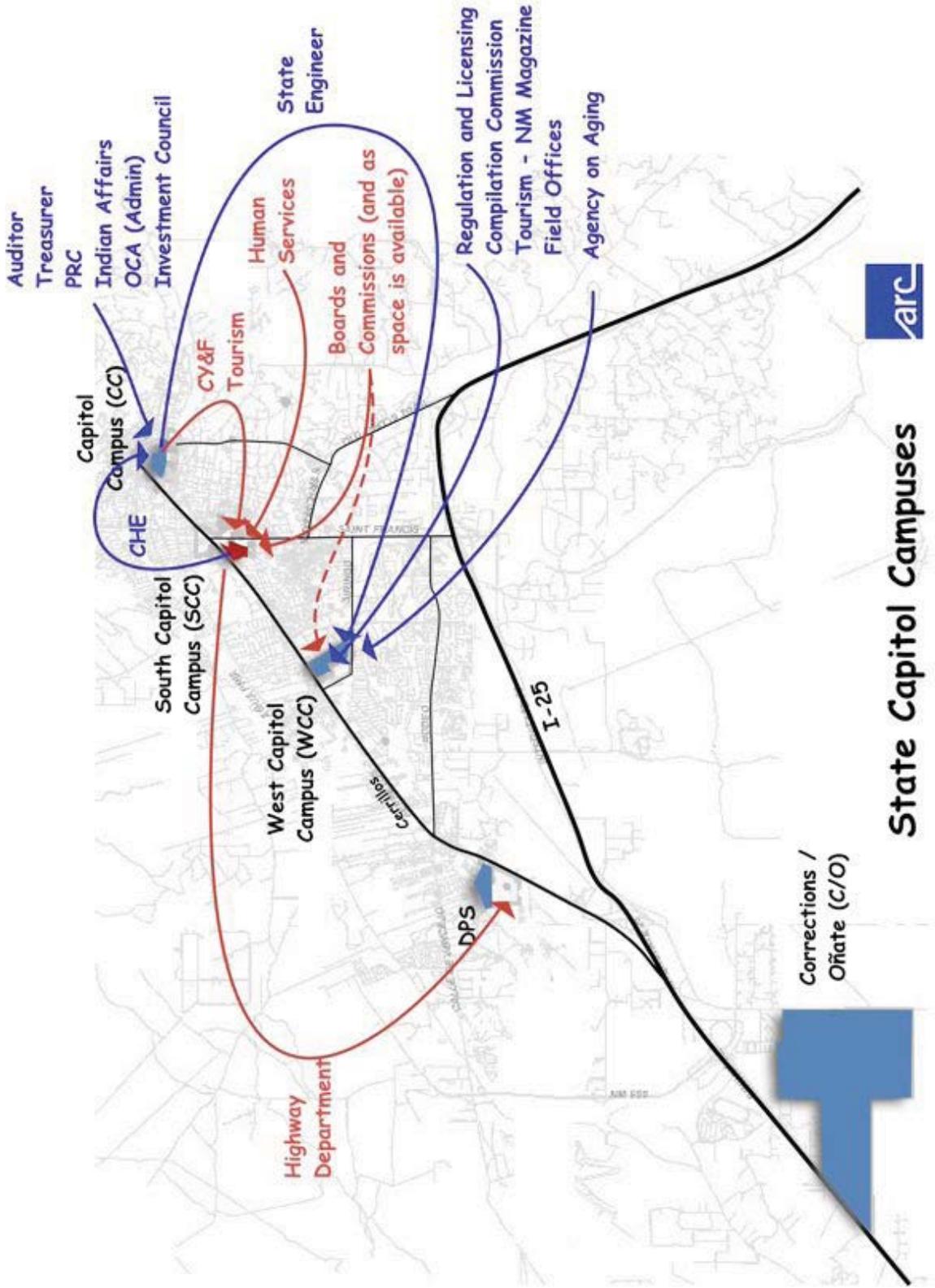
- ✓ Future development
 - ▶ *Continue to meet State needs within designated 'campuses'*
 - ▶ *Adopt location principles and gradually locate (re-locate) agencies as opportunities become available*
 - ▶ *Collocate agencies or functions according to adopted criteria*

- ▶ *Capitol Campus*
 - Constitutionally created or statutorily attached agencies (elected officials).
 - High degree of legal or financial responsibilities.
 - High degree of interaction with constitutional agencies.
 - Special Relationship to Capitol Area
- ▶ *South Capitol Campus*
 - Administrative and administrative Support
 - Field offices (depending upon plan)
- ▶ *West Capitol Campus*
 - High Interaction with the public
 - Field offices
 - Support functions
- ▶ *Other Campuses*
 - Specialized to function



Long-Range Relocations

2000 Plan



State Capitol Campuses



South Capitol Campus

2000 Plan

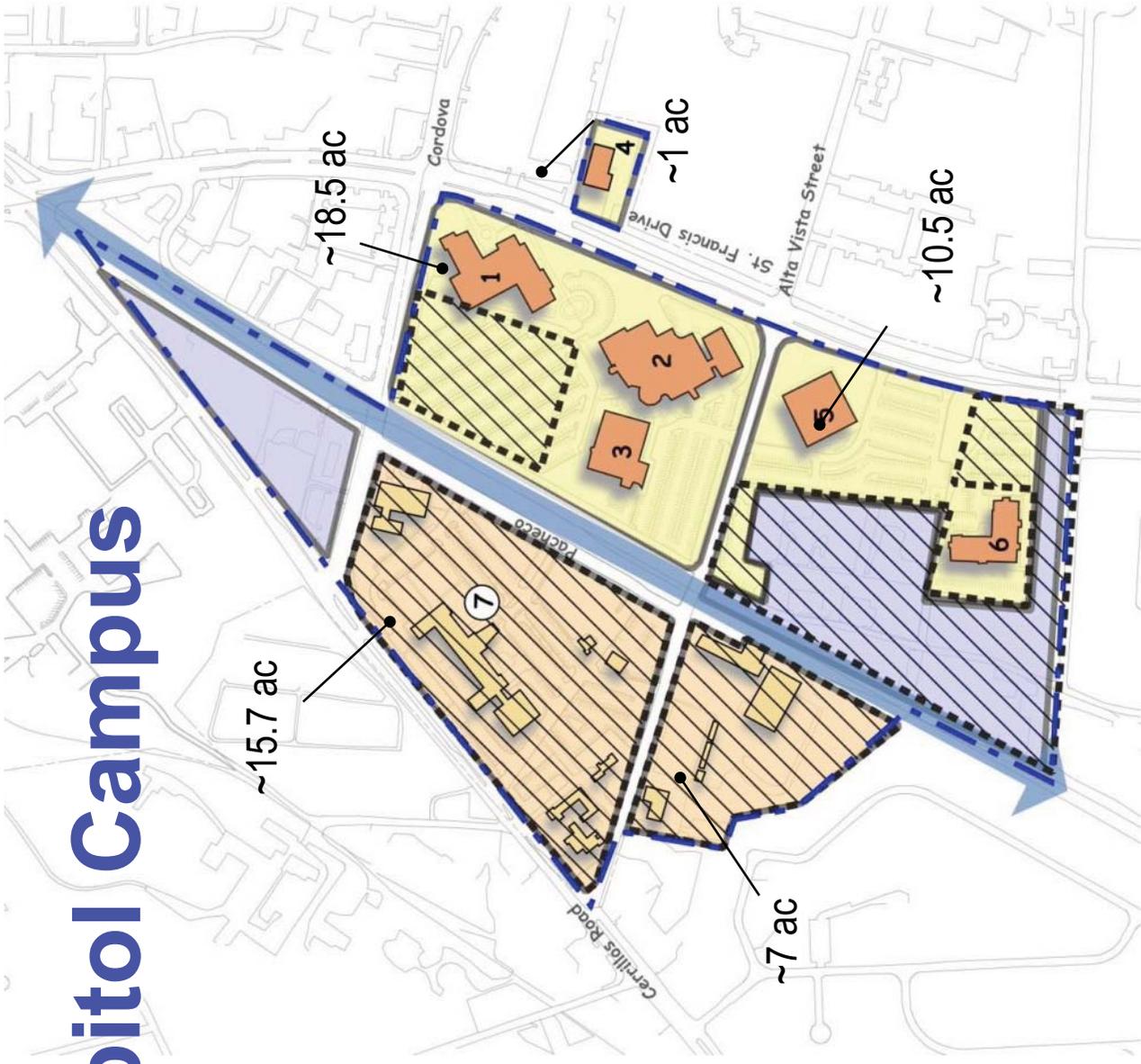
Study Area (ac.)	85.0
State Property (ac.)	52.7
GSD	30.0
DOT	22.7
Potential Expansion (ac.)	12.0
Existing GSF (owned)	767,877
% Total GSF / Campus	33%
Peak Occupants	2,752
Total Parking	2001

BUILDING KEY

- 1. Joseph Montoya Building
- 2. Harold Runnels Building
- 3. Simms Building

Existing Buildings
To Remain

- 4. Health Vital Records
- 5. Manuel Lujan Building
- 6. Pifon Building
- 7. Highway Department Campus



State Owned
 State Owned - Highway Department
 Acquire - As available
 Developable Areas





South Capitol Campus

2000 Plan

✓ Long-Term Vision

Study Area (ac.)	85.0
State Property (ac.)	52.7
GSD	30.0
DOT	22.7
Potential Expansion (ac.)	12.0
Existing GSF (owned)	767,877
% Total GSF / Campus	33%
Peak Occupants	2,752
Total Parking	2001

New Potential Buildings

BUILDING KEY

1. Joseph Montoya Building
2. Harold Runnels Building
3. Simms Building

Existing Buildings To Remain

4. Health Vital Records
5. Manuel Lujan Building
6. Piñon Building
7. Highway Department Campus (former)

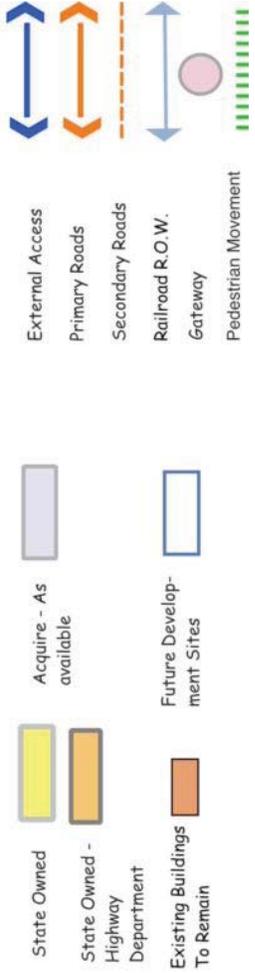




South Capitol Campus

2000 Plan

✓ Building Sites





South Capitol Campus

✓ Potential redevelopment option (150,000 gsf, sites C1 and C2)





DOT TOD Master Plan - Option A





2. South Capitol Campus

✓ Revised Plan (discussion)



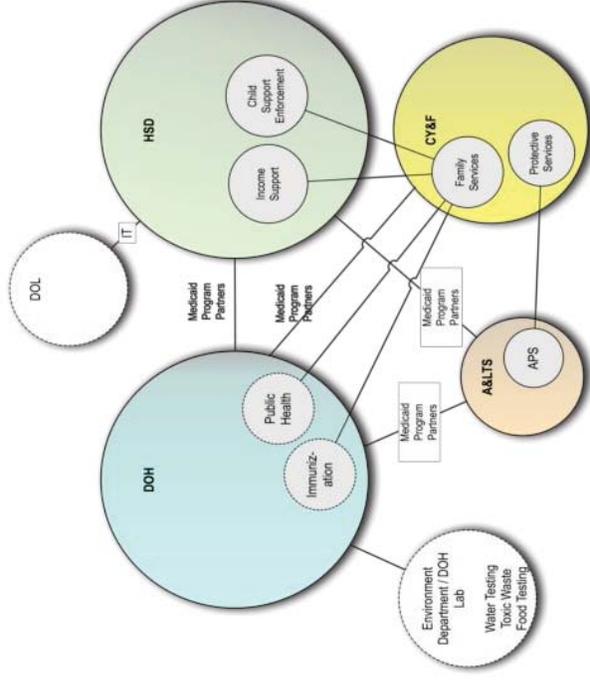


HHS Complex at SCC?

✓ How Much Site is Required ?

- ▶ **Assume:**
 - 600,000 gsf
 - 3 to 5 story building
 - Surface parking or 3 story (separate) parking structure
- Building + Parking + Circulation/landscaping at 35% (65% site efficiency)
- Assumes the total site is usable

- ▶ **Needs:**
 - 15 to 37 acres (to accommodate growth)



Land and Need in Acres	3 Stories	5 Stories
w/ Surface Parking	25	22
w/ Structured Parking	13	10
with 50% growth		
w/ Surface Parking	37	33
w/ Structured Parking	19	15



South Capitol Complex

- ✓ Given that DOT is revisiting site development options for their site, there is a major opportunity for cooperative planning between state agencies
 - ▶ *Explore the potential to meet combined state needs on state lands at the South Capitol area*
 - DOT program needs
 - Railrunner station
 - H H S candidates (CYFD, H SD, A LTS, DOH)
 - ▶ *Develop a unified implementation strategy*
 - Realistic phased development
 - Capital funding options
 - Traditional sources
 - Public-Private partnerships taking advantage of federal rent revenues and state land ownership

State of New Mexico Capitol Buildings Master Plan

Capitol Buildings
Planning Commission

January 8, 2008



The ARC – Dekker/Perich/Sabatini Association



Agenda

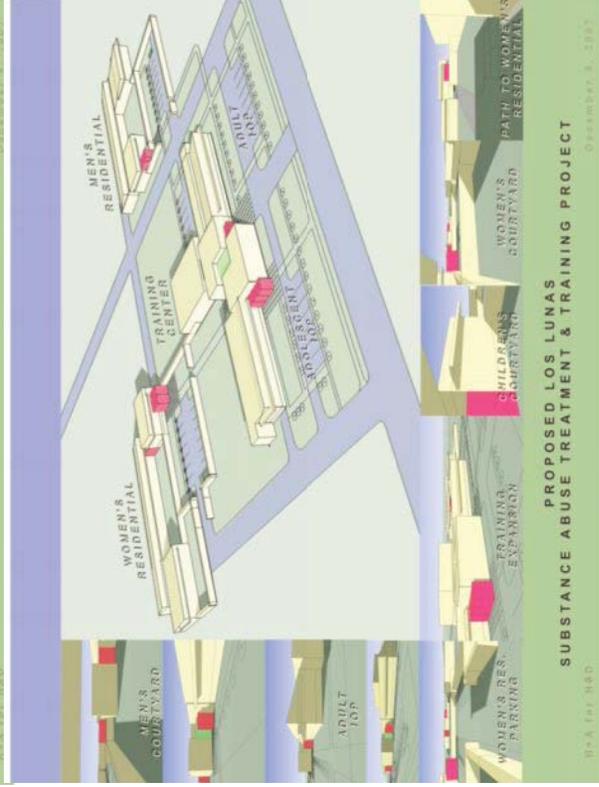
- ✓ Preliminary Albuquerque Master Plan
 - ▶ HSD and CYFD Projects Update
 - ▶ Planning Principles
 - ▶ Los Lunas area
 - ▶ Albuquerque area
- ✓ ARC/DPS Recommendations

HSD and CYFD Projects Update



Los Lunas Substance Abuse Treatment and Training Center - HSD

- ✓ **Project Description / Proposed Location**
 - ▶ Methamphetamine and other substance abuse treatment and training center, to be located at the Los Lunas Corrections site, north of Morris Road and west of State Rd 314, just north and west of the new District Courthouse
- ✓ **Project Components (~ 61,000 gsf)**
 - ▶ Phase 1 (lease-to-own on state land)
 - Intensive Outpatient Treatment and Training Center (IOPT), with workforce training component ~ 17,000 gsf
 - 16 bed Women's Residential Treatment Center (WRT) with accommodations for children ~ 24,000 gsf
 - ▶ Phase 2 (state-owned capital project)
 - 16 bed Men's Residential Treatment Center (MRT) ~ 20,000 gsf



✓ Preliminary Cost Estimates

- ▶ Phase 1
 - Planning and design costs included in current project funding (\$5m from 2007 legislative session)
 - Construction will be paid for using lease funds
- ▶ Phase 2
 - Preliminary estimated cost is approximately \$10.9m (HSD is requesting an additional \$5.9m from the 2008 legislative session)



CYFD – “Missouri Model” Impacts

✓ Project Description

- ▶ The CYFD is moving toward providing services to its clients based on the “Missouri Model” of treatment which emphasizes group therapy in a small, residential atmosphere in regionally distributed facilities
- ▶ Existing facilities, including the Youth Diagnostic and Development Center (YDDC) in Albuquerque are designed to accommodate a more institutional treatment model, and cannot readily be modified to meet the programmatic requirements of the new treatment model
- ▶ With the new model in mind, the CYFD is proposing a three phase implementation plan



CYFD – “Missouri Model” Impacts

✓ Preliminary Implementation Plan

- ▶ Phase One – Renovate J. Paul Taylor Center in Las Cruces
 - Initial implementation of the Missouri Model will be at the J. Paul Taylor Center (JPTC) in Las Cruces, which can be readily renovated to fit the requirements of the new model - will house a 40-bed boys facility
- ▶ Phase Two – YDDC Replacement Facility at Los Lunas Corrections Site
 - 50-bed boys facility (first phase) and 30 bed girls facility (second phase) with shared administrative and support facilities to replace the existing YDDC facilities in Albuquerque
- ▶ Phase Three – Additional Future State-wide Facilities
 - To meet the goal of delivering regionalized services within a reasonable distance from client’s home, CYFD is proposing two additional 50-bed facilities in the future - one to serve the northwest quadrant of the state and one to serve the southeast quadrant



CYFD – “Missouri Model” Impacts

- ✓ Preliminary Cost Estimates and Site Requirements
 - ▶ Initial Implementation request to the 2008 legislature
 - \$2 million
 - For Phase 1 implementation at JPTC in Las Cruces
 - Planning and design for YDDC replacement facilities in Los Lunas (feasibility study, site analysis, A/E fees, etc.)
 - ▶ Relocation of YDDC to Los Lunas
 - A total of approximately 10 to 15 acres of land is required
 - Facility is anticipated to cost approximately \$25m to \$30m (very preliminary cost estimate)

Planning Principles



General Development Principles

- ✓ Locate state agencies to achieve functional, operational, and logistical efficiency
- ✓ Promote convenient public access to government services
- ✓ Provide equitable and adequate space
 - ▶ Meet functional needs
 - Centralized administrative uses
 - Distributed or centralized field offices
 - Specialized functions with special location needs
 - ▶ Provide efficient/effective space organization (e.g., maximize required adjacencies)
 - ▶ Provide quality environment (e.g., attract and retain personnel)



General Development Principles

- ✓ **Realize economic efficiencies**
 - ▶ Reduce recurring state expenditures for long-term leases
 - ▶ Promote economies of scale and asset sharing (e.g., parking, lobbies, receiving, meeting areas, teleconferencing, etc.)
 - ▶ Promote sustainable environments (high performance energy efficient green building practices)
 - ▶ Reduce operational expenses
- ✓ **Provide long-term asset value**
 - ▶ Maintain strategic land bank
 - ▶ Dispose of property when short-term benefits exceeds long-term value



Site Planning Principles

- ✓ Land Use and Siting
 - ▶ Establish uses appropriate for each site based on surrounding context, function, site availability, and requirements for public access
 - ▶ Establish a framework for future circulation, parking, building sites, and landscape planning
 - ▶ Provide guidelines for density, building coverage and building height



Site Planning Principles

- ✓ **Vehicle and Pedestrian Movement**
 - ▶ Separate vehicular and pedestrian movement systems
 - ▶ Establish clear entry and exit points to each campus
 - ▶ Identify areas for drop-off/delivery and service as appropriate to the site and function
 - ▶ Provide for safe pedestrian routes between buildings
 - Promote a pedestrian-oriented interior with pathways composed of a series of sidewalks, malls and plazas and connections to the open space system.
 - Allow for safe (well-lit, and visible) destination travel (building to building) by walking or bicycles



Site Planning Principles

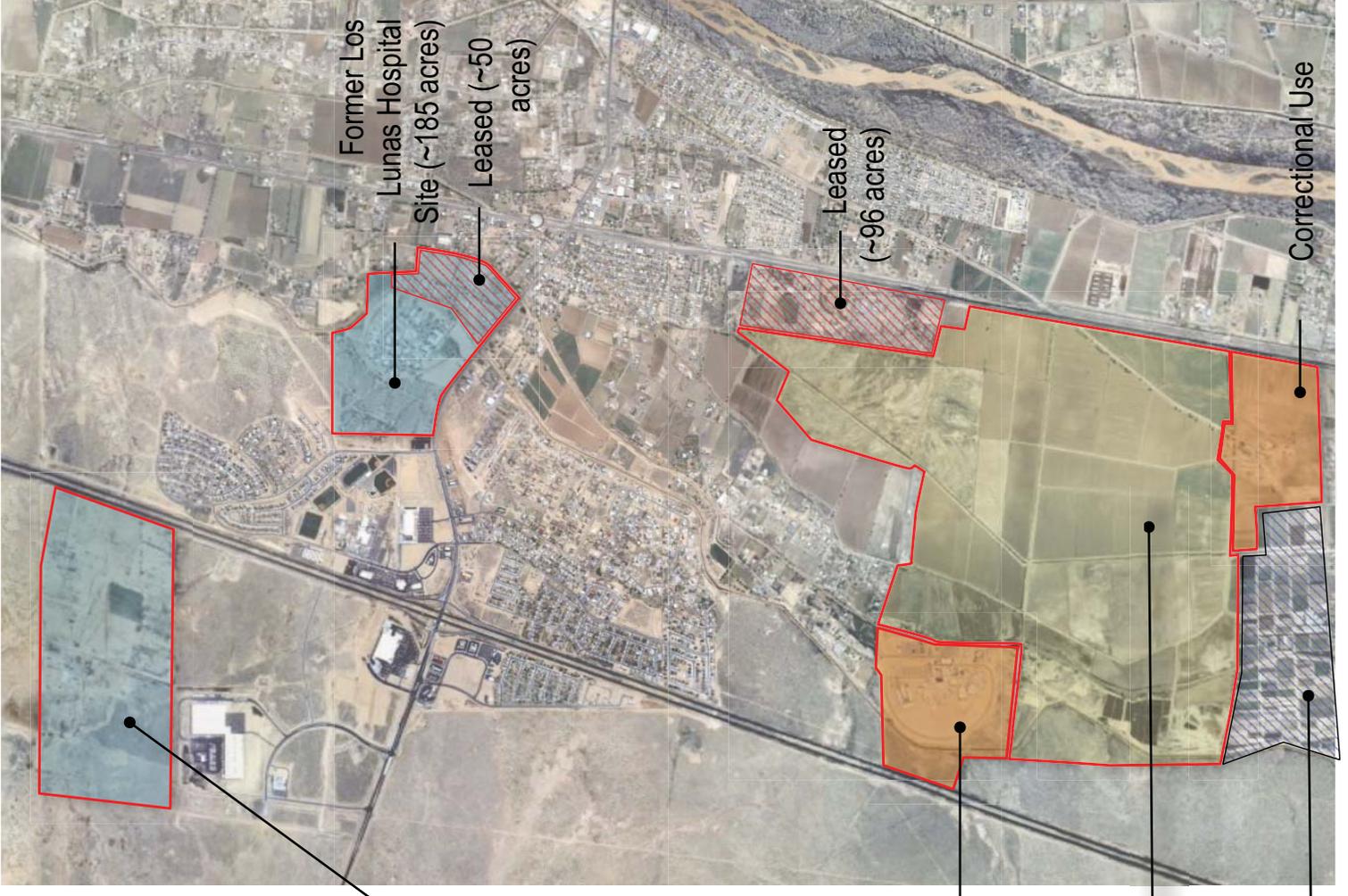
- ✓ **Visual and Architectural Character**
 - ▶ Establish a consistent visual and architectural character unique for each site that capitalize upon the development history, function and vision for the future
 - ▶ Establish common landscaping features linking campus zones and identifying areas of open space

Los Lunas Area



State-Owned Property in Los Lunas

- ✓ State land ownership
- ✓ Sites are not incorporated into the village
- ✓ Nearly 2,000 acres





Los Lunas Area

- ✓ Demand drivers
 - ▶ Population of Valencia County will continue to grow
 - ▶ Transportation infrastructure will continue to improve
 - Public transportation (Railrunner)
 - Road improvements
 - ▶ Existing state lands will be impacted by population growth
 - ▶ Population growth will require larger state presence to serve that population



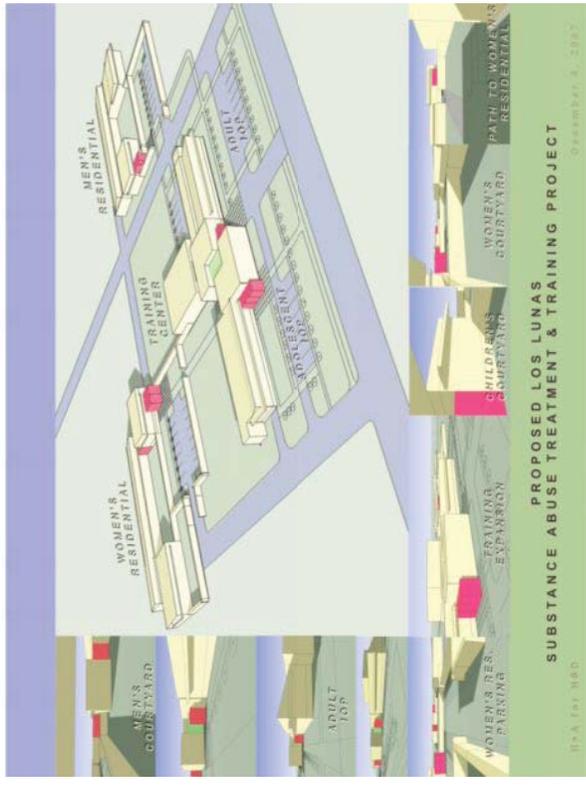
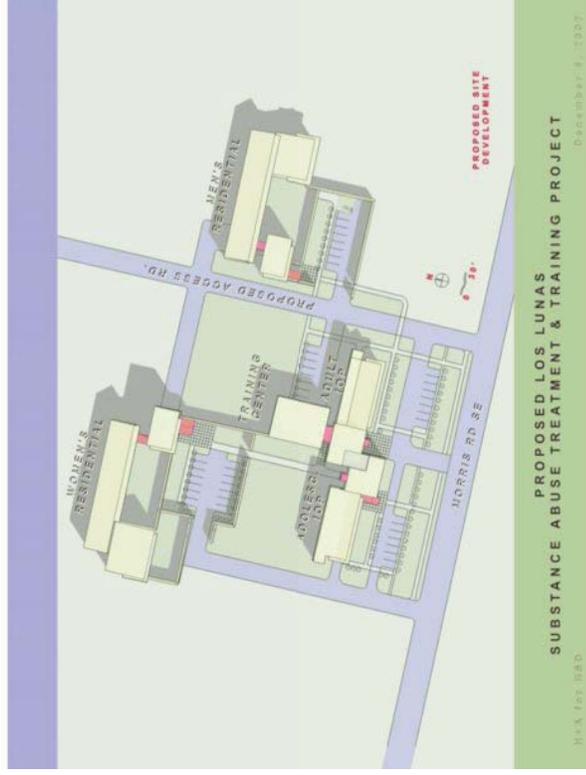
Los Lunas Area

- ✓ **Owned* – 141,600 gsf** (rounded)
 - ▶ Field office - 28,270 gsf
 - ▶ Controlled Residential - 49,630 gsf
 - ▶ Special Use - 2,000 gsf
 - ▶ Public Safety - 16,975 gsf
 - ▶ Recreation - 18,100 gsf
 - ▶ Administrative use - 6,400 gsf
 - ▶ Support - 20,250
- ✓ **Leased – 87,959 LSF**
 - ▶ Office: 86,314
 - ▶ Storage: 1,645
- ✓ **Total space occupied by state agencies**
 - ▶ =232,700 gsf**



Los Lunas Area

- ✓ Other potential or planned uses
 - ▶ State Game and Fish
 - Refugium for the Silvery Minnow on the NE corner of the Los Lunas Hospital site is under construction
 - Will use some of the site's water rights
 - ▶ Human Services Department
 - Los Lunas Substance Abuse Treatment and Training Center (proposed siting at Correction Lands)

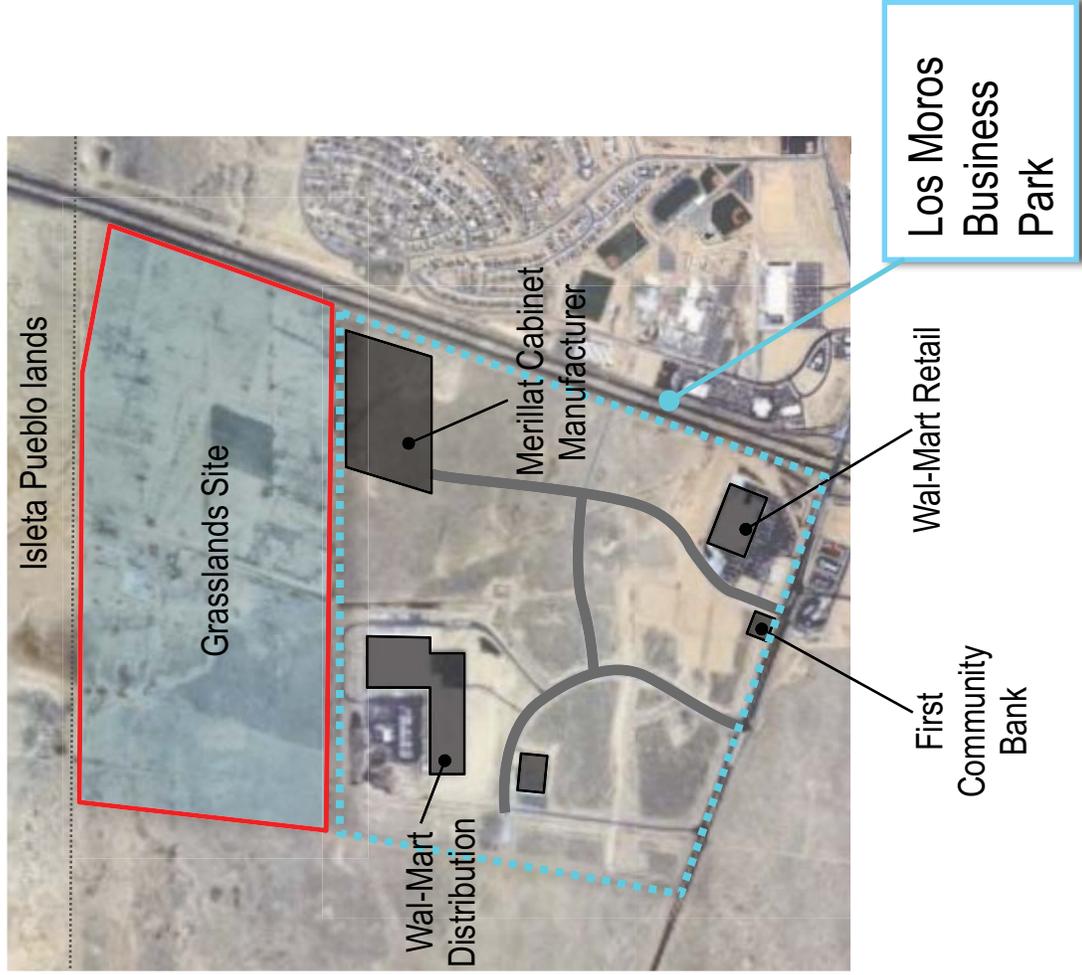




Grasslands Site

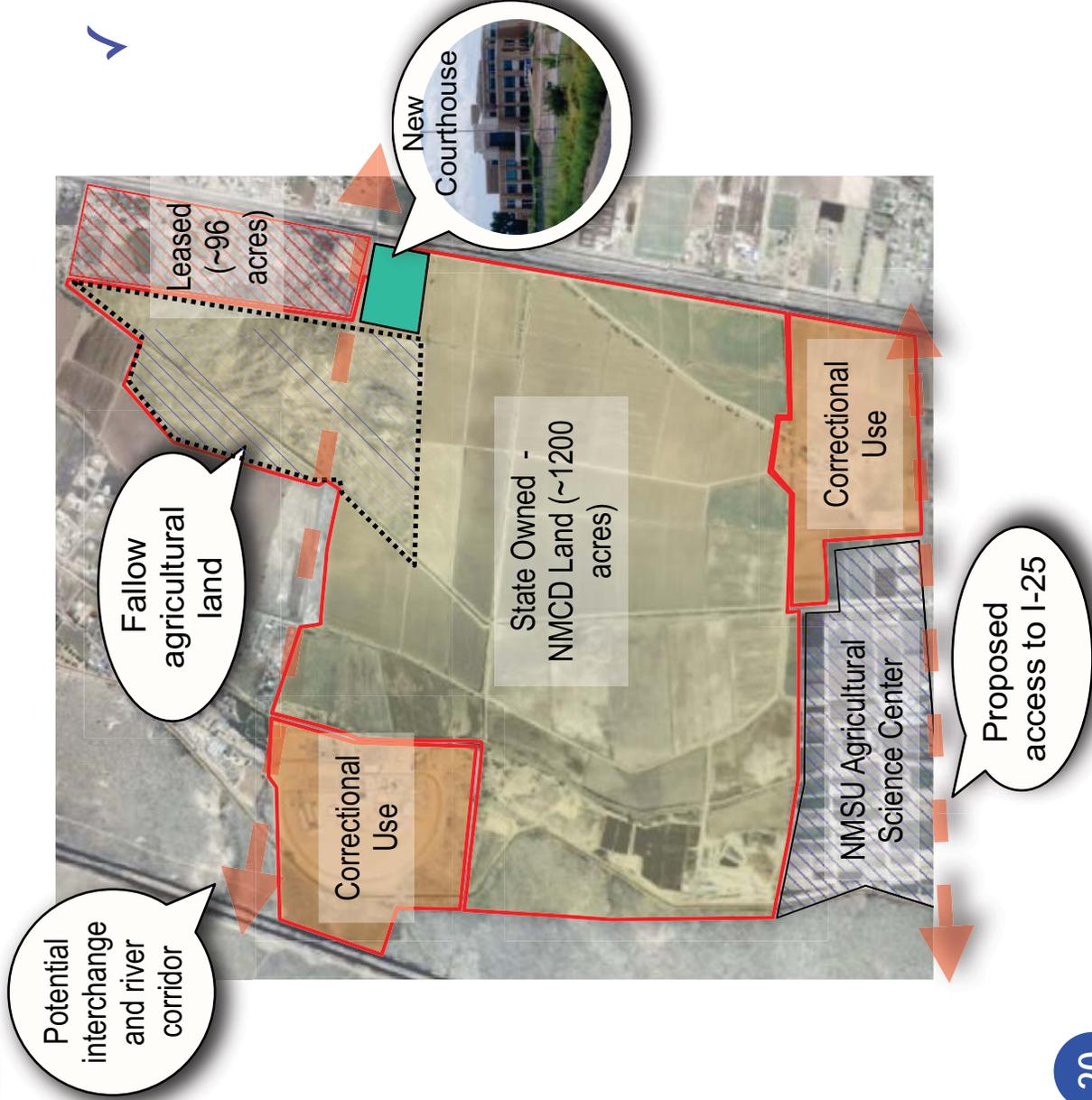
✓ Site Characteristics

- ▶ Approximately 288 acres
- ▶ Vacant land
- ▶ Surrounding use
 - Light industrial (south)
 - Isleta Pueblo (north)
 - Undeveloped - future use not determined (west)
- ▶ Utilities nearby (Village of Los Lunas)
- ▶ Site has water rights





Corrections Site



✓ Site characteristics

- ▶ Existing uses include Corrections facilities, agricultural, leased to others
- ▶ Not in Village boundary
- ▶ Access/visibility
 - Most lands have low visibility and local road access
 - Potential new interchange and river bridge corridor in the area
- ▶ Site has water rights
- ▶ Adjacent lands will likely develop as residential



Los Lunas Hospital Site



- Congested traffic conditions on Main Street
- ▶ Existing utilities (Village of Los Lunas)
- ▶ Existing Use
 - Western portion
 - Vacant, developable land
 - Central Portion
 - Former hospital complex
 - Multiple state users
 - Eastern portion
 - Leased to others
- ▶ Surrounding Use
 - Educational, residential institutional and commercial

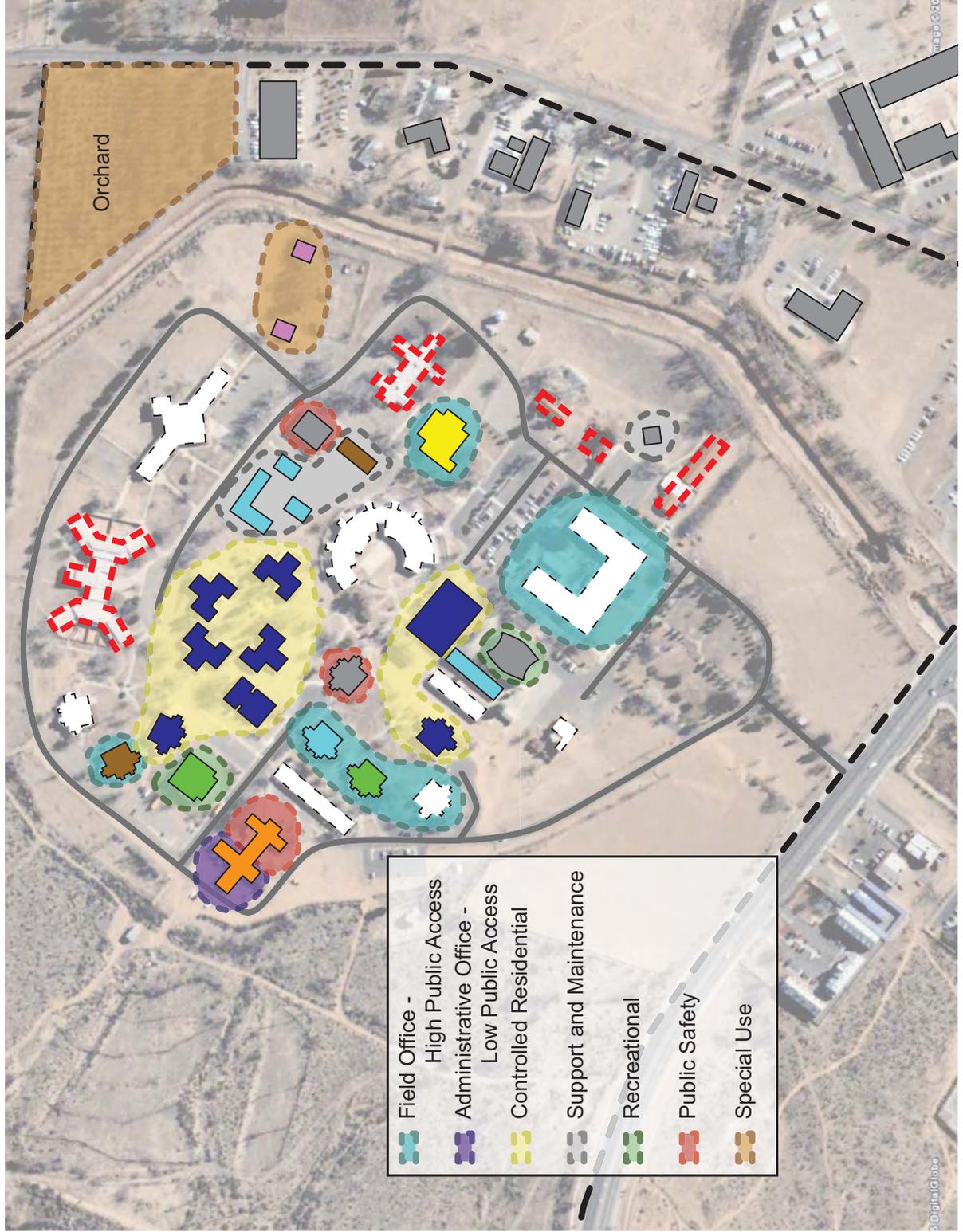
✓ Characteristics

- ▶ Physical
 - Large - 185 acres
 - Partially undeveloped
 - Buildings are in poor condition (a lot of investment required)
- ▶ Access
 - Good access and visibility



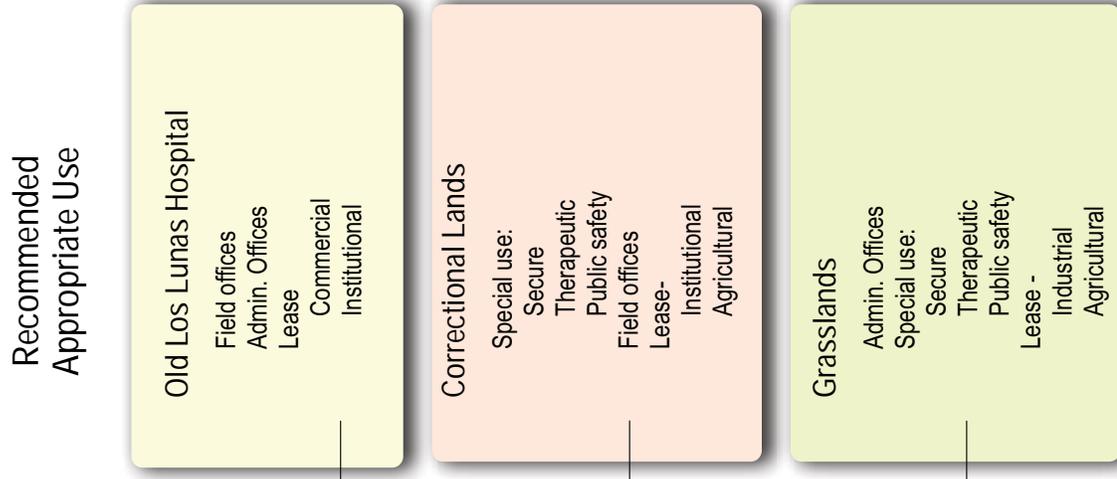
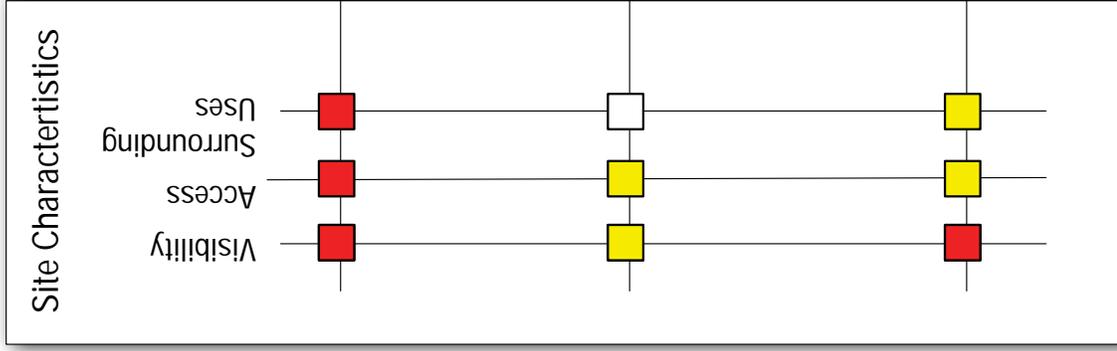
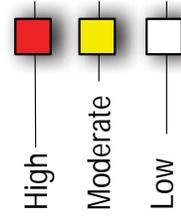
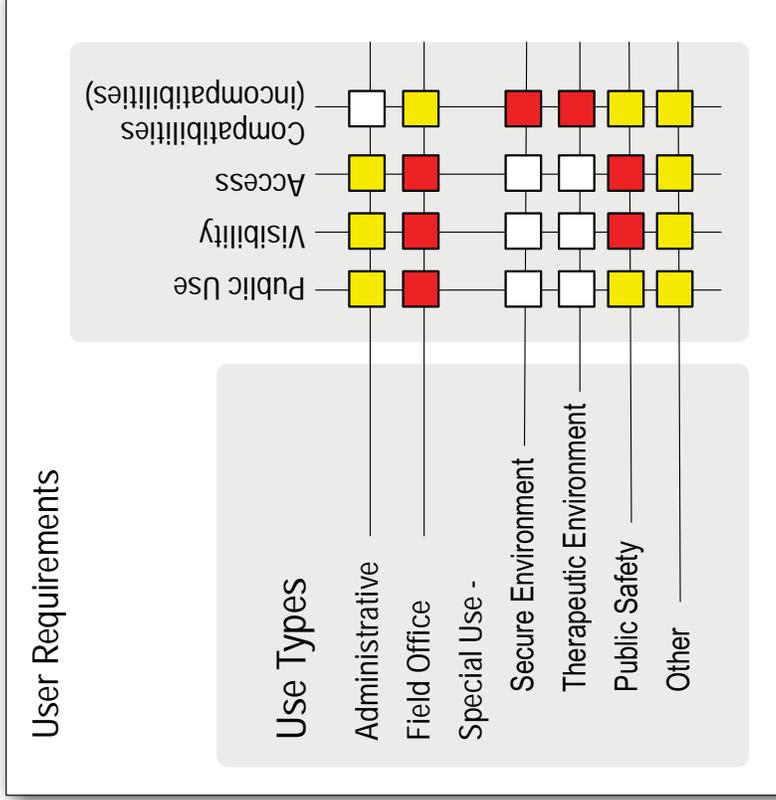
Los Lunas Hospital Site

✓ Hospital Site Facility Users



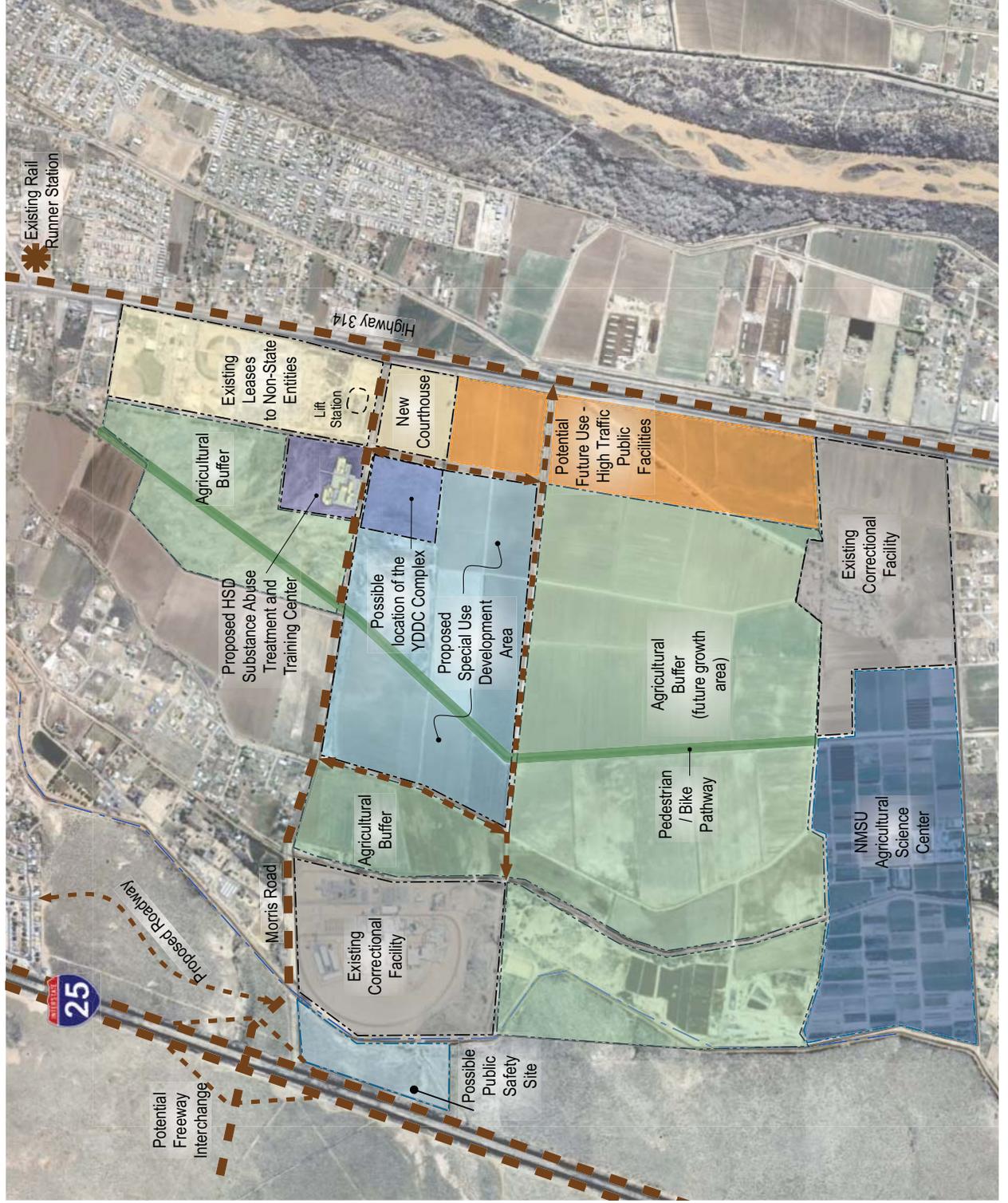


Appropriate Use Matrix





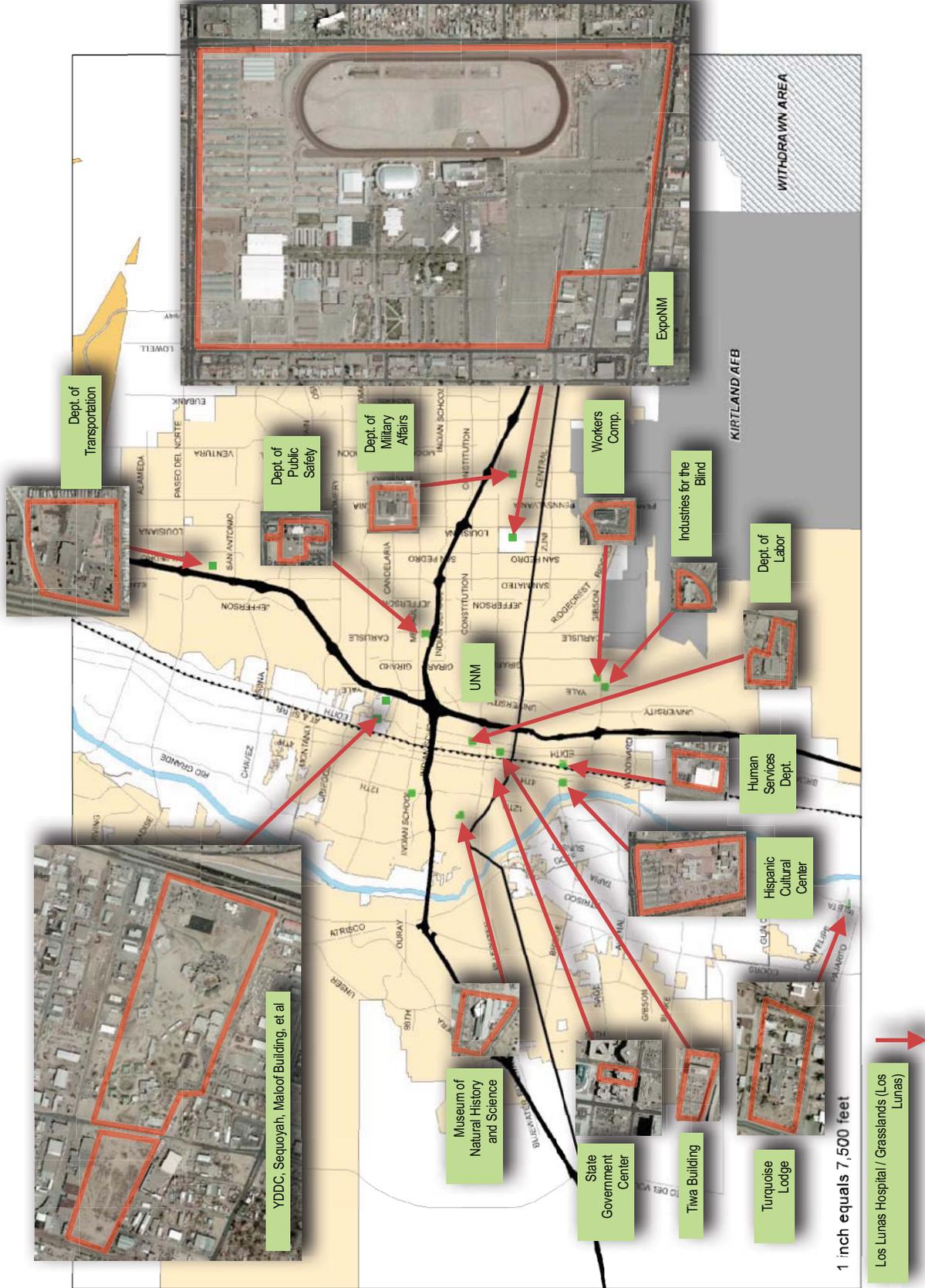
Correctional Site - Conceptual Land Use



Albuquerque Area



State Owned Properties in Metropolitan Albuquerque





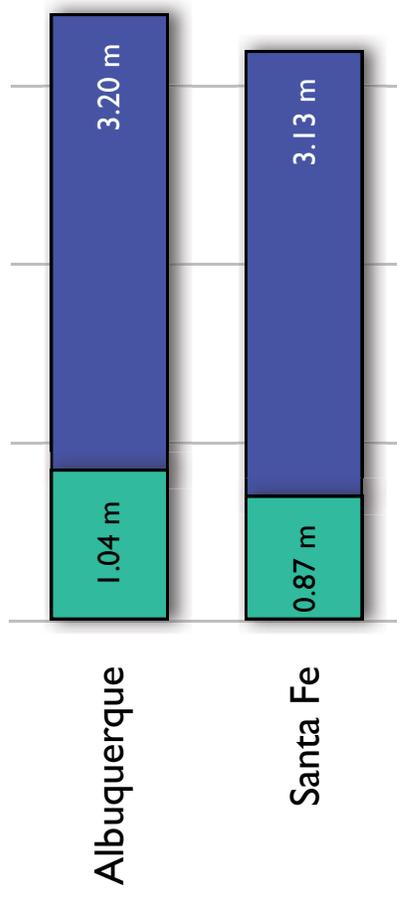
Albuquerque Area

- ✓ Existing Facilities
 - ▶ ~4.2 million square feet

- Office Uses

- Nearly all of leased space
- ~30% of owned space

Space Use in Albuquerque and Santa Fe (GSF in millions)



Leased Owned

	Owned			Leased			
	gross Square feet	USF Equivalent**	% Total GSF	L SF	Equivalent USF	Annual Cost	% Total USF
PCD - Albuquerque Area*	1,340,788	871,512	41.9%	859,761	1,041,839	\$12,569,427	100.00%
02 Bernalillo County	547,607	355,945	17.1%	805,000	981,461	\$11,749,387	93.63%
14 Valencia County	779,476	506,659	24.3%	32,864	35,286	\$477,110	3.82%
29 Sandoval County	13,705	8,908	0.4%	21,897	25,092	\$342,930	2.55%
Other Agencies (Bernalillo)	1,860,829	1,209,539	58.1%				
DOT	72,250	46,963	2.3%				
Expo NM	1,362,099	885,364	42.5%				
DMA	44,112	28,673	1.4%				
DCA	382,368	248,539	11.9%				
Total	3,201,617	2,081,051	100.0%	859,761	1,041,839	\$12,569,427	100%
Office Space	409,045		22.0%	789,450	959,561		92.1%

* About 30% of PCD "owned" space is categorized as an Office Use
 ** Assumes 65% ratio of USF to GSF



Albuquerque Area

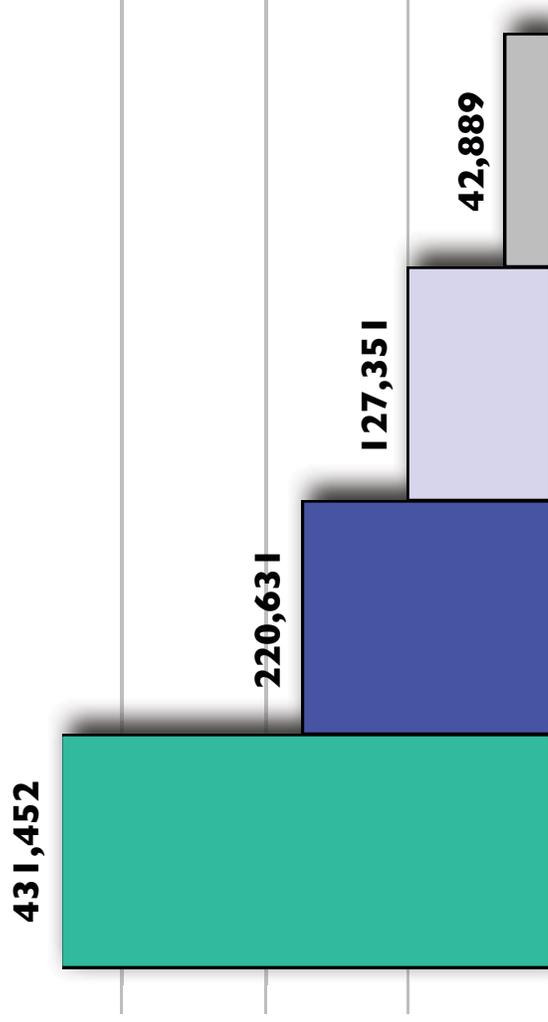
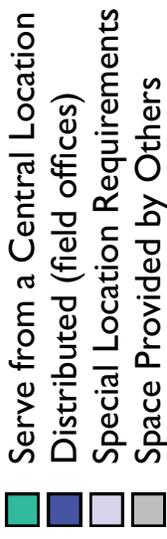
- ✓ **Own**
 - ▶ Typically acquired for specialized uses, in concert with federal resources or “inherited”
- ✓ **Lease**
 - ▶ Mostly office type of uses
 - ▶ Many leases are supplemented or paid for by federal dollars
 - ▶ Mostly Field Type of Offices Serving the Metro Area
 - Functions that serve public from a central location
 - Distributed – field offices located to be close to populations served
 - Functions with special location requirements
- ✓ **Provided by others**
 - ▶ Typically DOH public health type of facilities provided by the County



Albuquerque Area

- ✓ Leased Space
 - ▶ 860,000 LSF – \$12.6 m annual cost
 - ▶ Mostly office type of use (98%)
 - ▶ The majority of leased space is for functions that can be served from a central location ... about 1/2 of this space is currently at one site

Leased Square Feet by Type in the Albuquerque Area





Albuquerque Area

- ✓ The Bank of the West site (Central and San Mateo) accounts for ~20% of the total Albuquerque area leased square feet and cost
 - ▶ \$2.5 million annual lease cost
 - ▶ 187,000 lsf, ~ 11 acres
- ✓ 50% of the functions that can serve the public from a central location are at this site

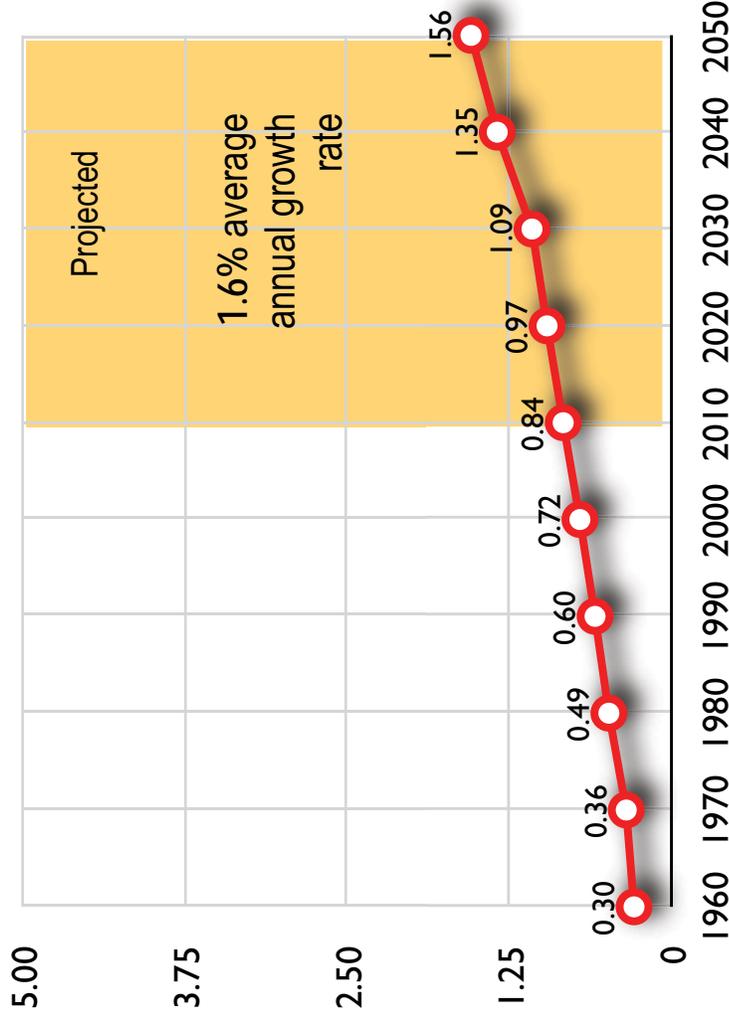




Albuquerque Area

- ✓ Region is expected to continue to grow ... population and geographically – implication is continued growth of state facilities

Albuquerque MSA Population
(millions of people)

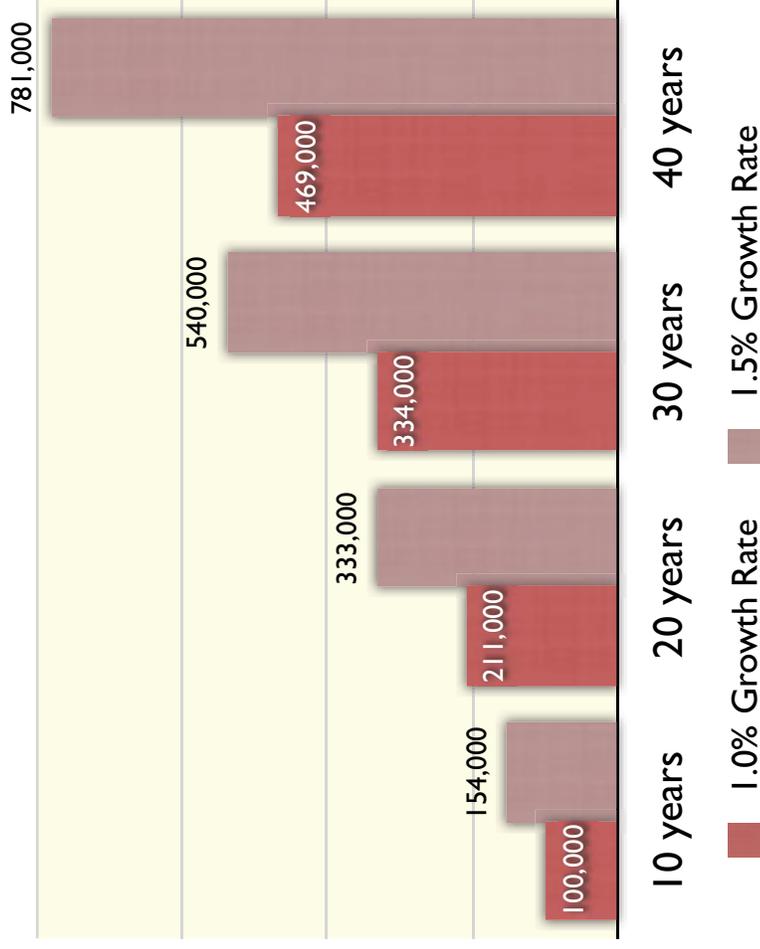




Albuquerque Area

✓ The need for state office space will double in 40 years assuming a 1.5% annual growth rate

Additional Office Space Needed in Albuquerque Area – GSF Equivalent

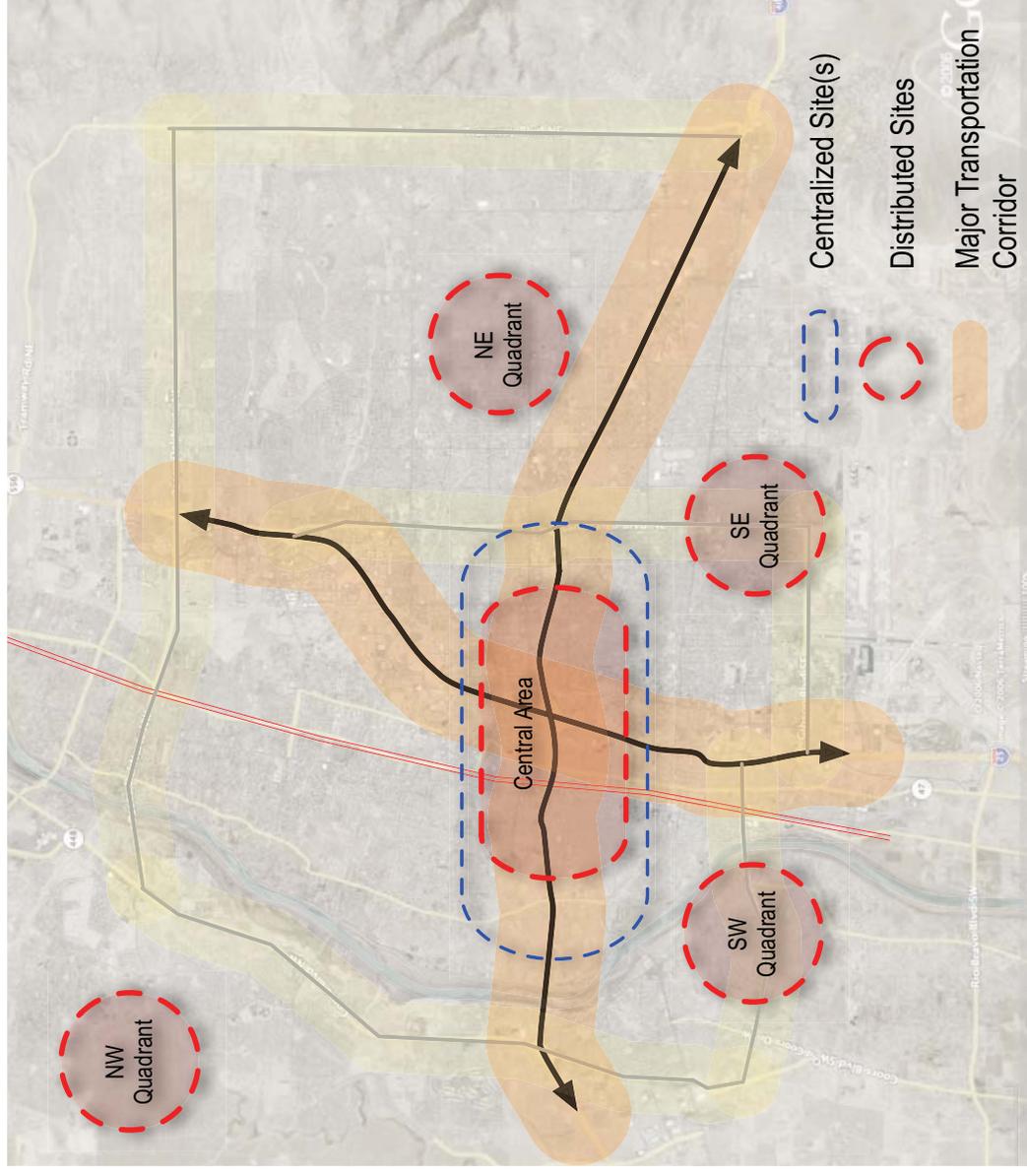


Note: The state currently leases about 960,000 gsf (equivalent) of office space in the Albuquerque area (does not include office needs associated with specialized uses)



Albuquerque Area

- ✓ Explore developing state campuses via
 - ▶ Purchase of existing
 - ▶ Lease - purchase
 - ▶ Direct state capital development





Albuquerque Area

✓ Super Block Complex





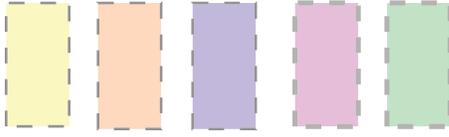
Super Block Complex

✓ Site use zones

► Multiple Users

- CYFD, DOH, DOT, NMCD

Use Zone Legend





Super Block Complex

- ✓ YDDC can relocate to Los Lunas Area
 - ▶ The CYFD is moving toward providing services to its clients based on the “Missouri Model” of treatment which emphasizes group therapy in a small, residential atmosphere in regionally distributed facilities
 - ▶ Existing facilities, including the Youth Diagnostic and Development Center (YDDC) in Albuquerque are designed to accommodate a more institutional treatment model, and cannot readily be modified to meet the programmatic requirements of the new treatment model



Super Block Complex

- ✓ **Some special use tenants have long-term commitments**
 - ▶ Tenants interviewed (Sequoyah, Camino Nuevo) reported significant facility investments and geographic advantages for current location
- ✓ **Administrative tenants are “occupying space”**
 - ▶ Located at site only because space was available - do not need to stay at this location
- ✓ **Utilities are available throughout site**
 - ▶ Capacity is limited
 - ▶ Existing systems are in need of retrofitting
- ✓ **Proposal for use of undeveloped land**
 - ▶ DOT is interested in portion of land adjacent to their property



Super Block Site Complex

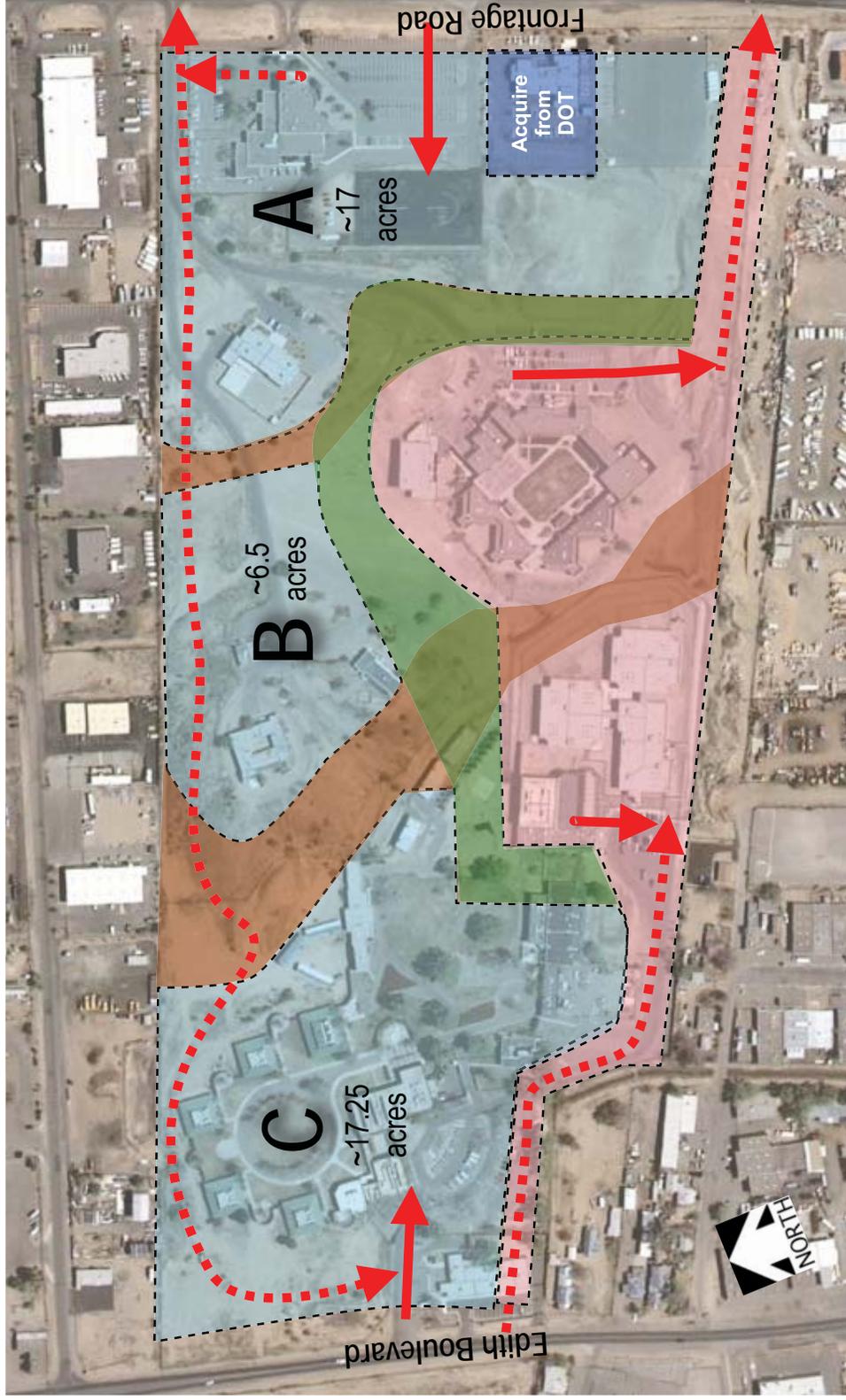
- ✓ **Constraints**
 - ▶ Topography is difficult on large portion of site
 - ▶ Infrastructure - utilities are limited in capacity and condition is fair
 - ▶ Existing facilities vary in condition but will need ongoing renewal



Super Block Complex

✓ Conceptual Development Plan

Legend		Steep, challenging terrain
		Desired buffer zone
		State Building Development Zones
		A – High Density, uses serving metro area
		B – Low Density, specialty use
		C – Medium Density, field, office uses, or specialty use
		Secure uses
		Access to uses
		Proposed access through site





Super Block Site Development

✓ Opportunities for phased redevelopment

- Eastern 17 acres (Zone A)
 - These lands are readily developable and can potentially serve as a location for a portion of the state agencies located on leased property in the area
 - Consider purchase of DOT lands and not entering into any long-term lease commitments
 - » Work with DOT to identify and fund appropriate site for Emergency Management Response Center
 - Candidates
 - » Agencies that tend to serve professional community or government personnel or provide statewide services
 - Public employees interests
 - Commissions and boards
 - Regulation and Licensing authorities
 - » Current total space occupied by candidate agencies = ~200,000 SF (interpolated)
 - Current total staff occupying candidate agencies' space = ~650 persons (interpolated)
 - Site size required to support current and future needs for a campus of this size = 10.21 acres



Super Block Site Development

✓ Opportunities for phased redevelopment

- Middle 6.5 acres (Zone B)
 - Reserve for low density specialty uses
- Western 17.25 acres (Zone C)
 - Make only health / safety repairs to existing facilities pending further funding of YDDC relocation
 - Investigate potential of reuse of existing facilities – demolish facilities with no further use
 - Reserve for field or specialty uses
 - Potential for short-term leases



Super Block Campus

✓ Users

- ▶ CYFD
 - Temporary facility - partnership with EMNRD
- ▶ Bernalillo County - 2007 HJR 14:
 - Right-of-way for widening of Edith Boulevard
 - County to construct detention pond to store runoff - leasing property with option to purchase within 5 years
- ▶ Recommend that State discuss joint use with Bernalillo County
 - Modify detention pond design to incorporate a permeable surface for parking
 - Preserve capability for potential future Railrunner station

10.5 acres to County



Remaining 4.5 acres state owned



Railrunner station in Bernalillo = 2.3 acres

Staff Consultant Recommendations



ARC/DPS Recommendations

- ✓ Support HSD Los Lunas Substance Abuse Treatment and Training Center siting at the Corrections site and associated capital request
- ✓ Support CYFD transition to Missouri treatment model and associated capital requests
 - ▶ Phase 1 through Phase 3 implementation
 - ▶ Make only health / safety repairs to existing facilities at Super Block Complex pending further funding of YDDC relocation



ARC/DPS Recommendations

- ✓ Continue overall strategic asset management planning to transition from leased to State-owned facilities
 - ▶ Santa Fe
 - Health and Human Services Complex ("Super Complex")
 - Capitol area strategic space planning
 - Capitol Parking Structure (additional funding for 600 cars)
 - ▶ Las Cruces
 - Consolidated State Office Building
 - Land acquisition and design
 - ▶ Albuquerque area
 - State Office Complex
 - Conceptual programming and detailed site master plan of Super Block Complex
 - Detailed site planning to assist further development
 - Los Lunas Corrections lands
 - Former Los Lunas Hospital site



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