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## FISCAL IMPACT REPORT

SPONSOR Kidd DATE TYPED 2/4/2004 HB \_\_\_\_\_

SHORT TITLE Purchase Land With Proceeds From Other Sales SB 326

ANALYST Aguilar

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$925.0			Non-Recurring	EMNRD Capital Improvement Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
		Indeterminate	Non-Recurring	Federal Funds

(Parenthesis ( ) Indicate Revenue Decreases)

Companion to SJR5

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Energy, Minerals and Natural Resources Department (EMNRD)

### SUMMARY

#### Synopsis of Bill

Senate Bill 326 appropriates the proceeds from the sale of the Cottonwood-Walnut property located in Eddy County to the State Parks Division (SPD) of EMNRD for expenditure in fiscal year 2005 through fiscal year 2014 and for the purpose of matching federal funds and purchasing land adjacent to Sugarite and Manzano State Parks or other parks authorized or to be authorized for acquisition by the legislature.

The appropriation is contingent upon legislative approval of the sale and the actual sale of the property.

Any unexpended or unencumbered balance remaining at the end of fiscal year 2014 shall revert to the general fund.

### Significant Issues

SPD has identified several parcels of land within the state park system that are critical for acquisition to prevent conflicting land use within close proximity to existing state park facilities.

An immediate priority for acquisition is a parcel adjacent to Sugarite Canyon State Park, located northeast of Raton. The parcel intrudes on the east side of the canyon adjacent to the park and is within close proximity to Lake Maloya, a major attraction at the park which provides a number of year-round recreational activities. The parcel encompasses approximately 790 acres and could be developed with access from an existing state road or from within the state park. If this parcel is not acquired soon, potential activities for the area could include private home development, light commercial development and other conflicting land uses. This additional activity would also create additional traffic not related to the park.

Lands adjacent to Manzano Mountains State Park are also critical to protection of park resource and aesthetic values. A 20.7 acre parcel under consideration for acquisition contains a beautiful mountain forest bordering the park and would make an excellent area for passive recreation that park visitors could enjoy.

### **FISCAL IMPLICATIONS**

The appropriation contained in this bill is a non-recurring expense to the Energy, Minerals and Natural Resources Capital Improvement Fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2014 shall revert to the general fund.

The Cottonwood-Walnut property has an appraised value of \$925 thousand. Proceeds from the sale would be used as a dollar-for-dollar match of federal funds.

### **COMPANIONSHIP**

Senate Bill 326 is a companion to Senate Joint Resolution 5 that authorizes the sale of the Cottonwood-Walnut property.

### **TECHNICAL ISSUES**

The committee may wish to consider changing all references to Sugarite to *Sugarite Canyon* and all references to Manzano to *Manzano Mountains*. These changes will reflect the correct titles of the parks.

### **OTHER SUBSTANTIVE ISSUES**

The proceeds from the sale of the Cottonwood-Walnut property will provide the funding needed to purchase these critical lands. Sale of the Cottonwood-Walnut property is the best opportunity to create a revenue source that would be utilized to match federal funds for the purchase of lands adjacent to Sugarite Canyon and Manzano Mountains State Parks.

SPD notes that the long-term value of purchasing these buffer lands cannot be overestimated.

The state park system depends on providing quality recreation to the public. The public demand for aesthetics, solitude, pristine landscapes, and appreciation of nature can be provided by few state parks. By protecting the boundaries of existing state parks from inappropriate development and intrusion, the values that established these parks are protected for the future. SPD has been careful to properly analyze the impacts of adjacent development at all state parks and to prioritize the most critical needs for funding.

**PA/yr**