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FISCAL IMPACT REPORT

ORIGINAL DATE 2-1-06

SPONSOR Silva LAST UPDATED HB 502

SHORT TITLE BERNALILLO COUNTY REDEVELOPMENT PROGRAM SB

ANALYST Hadwiger

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$50.0	Non-Rec	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 502 appropriates \$50 thousand from the general fund to the Local Government Division (LGD) of the Department of Finance and Administration (DFA) in FY07 to provide a community redevelopment program on West Central Avenue in Albuquerque in Bernalillo county.

FISCAL IMPLICATIONS

The appropriation of \$50 thousand contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 would revert to the general fund.

SIGNIFICANT ISSUES

DFA noted that the primary purpose of the Albuquerque Redevelopment Agency is to remove blight from the three project areas that make up the Program on West Central Avenue. Additionally, the Program aims to utilize under-utilized and under-developed property. The city of Albuquerque has participated in redevelopment projects such as the old Albuquerque High School on Central Avenue and the International Market Place downtown.

DFA also indicated the city has invested \$3,000,000 in land acquisition for the redevelopment program in addition to \$300,000 for the "neon gateway"---neon arch over street--- on West Central Avenue. The city anticipates that it will take approximately three years to complete the redevelopment program , which consists of three project areas. The three project areas include, Unser and Central, Atrisco Plaza, and Old Cross and Central. DFA noted that voters did not approve the last bond issue, which was for the redevelopment of these areas.

ADMINISTRATIVE IMPLICATIONS

The administration of the appropriation would fall under LGD/DFA in FY07. LGD would coordinate the administration of the program with the city of Albuquerque through a grant agreement.

DH/nt