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FISCAL IMPACT REPORT

ORIGINAL DATE 2/12/07

SPONSOR Griego LAST UPDATED _____ HB _____

SHORT TITLE Santa Fe Warehouse 21 Visual Arts SB 903

ANALYST Propst

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$200.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

Senate Bill 903 appropriates \$200.0 from the General Fund appropriation to the Local Government Division of the Department of Finance and Administration to support Warehouse 21 with operational funding for performing media and visual arts programs.

FISCAL IMPLICATIONS

The appropriation of \$200.0 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the General Fund.

SIGNIFICANT ISSUES

Warehouse 21, a 501(c) (3) corporation, is a center for youth entertainment and entrepreneurial opportunities with a focus on artistic productions for individuals under the age of 21. For the past decade, Warehouse 21 has served over 40,000 teenagers and young adults in multi-cultural programs in the music, media, visual and performing arts. Since its opening, between June 2005 and July 2006, approximately 8,600 individuals were involved in the media and visual art

programs at Warehouse 21 resulting in 131 produced events, and over 277 workshops that were conducted by staff and volunteers.

Warehouse 21 serves the cities mainstream youth, incarcerated teens, youth in detention and residential treatment facilities as well as outreach centers in projects and events from the Teen and Municipal court as well as local high schools.

The appropriation would be utilized for start up cost associated with media and performing arts programs. Warehouse 21 also indicated that the funding will be used to purchase equipment and alleviate staffing needs. According to information provide by Warehouse 21, \$77,000 helped support 88 youth and young adults in FY06 and paid for flat fees, hourly pay and stipends.

ADMINISTRATIVE IMPLICATIONS

According to DFA, the Local Government Division will enter into a grant agreement with the City of Santa for this funding. The City will serve as fiscal agent for Warehouse 21 who is operating as a 501(c) (3) corporation. The City will request reimbursements for approved expenditures on behalf of Warehouse 21 to DFA.

Warehouse 21 is aware of the anti-donation clause which prohibits the donation of public funds to private entities. This appropriation will be specified as a contract fro the provision of certain services to the youth of Santa Fe. The City of Santa Fe will serve as the fiscal agent for Warehouse 21. The City will need to draft a lease agreement reflecting the current fair market value of the space occupied. If the City receives adequate consideration equal to the fair market value of the lease there would be no violation of the anti-donation clause.

WEP/csd