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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/24/15

SPONSOR Pacheco LAST UPDATED \_\_\_\_\_ HM 103

SHORT TITLE ABQ Tricultural Center Of The Southwest SB \_\_\_\_\_

ANALYST Clark

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		Moderate	Moderate	Moderate	Nonrecurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates HM 87

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Economic Development Department (EDD)

Cultural Affairs Department (DCA)

### SUMMARY

#### Synopsis of Bill

House Memorial 103 requests that the Economic Development Department (EDD), in collaboration with the Tourism Department and the Cultural Affairs Department (DCA), conduct an economic feasibility study of a “tricultural center of the Southwest” on the west side of Albuquerque and requests the departments consider:

- the number, types, and salaries of potential jobs that would be created during construction and operation of a tricultural center of the Southwest;
- the number of expected destination tourists to the center;
- the value in advertising that the three major events — the Gathering of Nations, the Mariachi Spectacular, and the Western Music Association's annual event and hall of fame — will bring to the state;
- the economic benefit to Albuquerque, Bernalillo County, and the state through employment and tourism; and
- any other matters the departments deem necessary.

Finally, the memorial instructs EDD to report its findings and recommendations to the Legislative Finance Committee (LFC) and the appropriate interim committees.

### **FISCAL IMPLICATIONS**

The memorial would have a moderate fiscal impact on the budgets of the three agencies to perform a comprehensive economic feasibility study.

### **SIGNIFICANT ISSUES**

The memorial notes New Mexico has had the great fortune in its four-hundred-plus-year history to be the hub for American Indian, Spanish-Mexican, and Anglo-cowboy music and culture. The groups responsible for the Gathering of Nations, the Mariachi Spectacular, and the Western Music Association's annual event and hall of fame envision a single "tricultural center of the Southwest" that will provide adequate performance, classroom, meeting and office space, as well as display complexes, for the groups and will offer a venue for other performances, conventions, and trade shows of a size for which there is no other space available in Albuquerque.

EDD notes New Mexico has an opportunity to help drive a significant economic and tourism engine by collaborating with these three groups to draw hundreds of thousands of visitors to the area. The proposed facility would also provide a venue to attract other world-class events to New Mexico, generating additional revenue for the state.

### **ADMINISTRATIVE IMPLICATIONS**

Conducting such a study would require staff members of the three agencies to collaborate with other agencies and with stakeholders, research and gather data, and draft the feasibility study document. Alternatively, the agencies could hire a third party consultant to produce the feasibility study if the expertise or resources are not available in-house; however, without additional funding to the departments, existing resources must be reallocated to accomplish this task.

### **DUPLICATION**

This memorial duplicates HM 87.

### **TECHNICAL ISSUES**

The memorial states that three private entities – Mariachi Spectacular (owned by The Atrisco Companies), the Western Music Association, and the Gathering of Nations – envision this tricultural center that will provide them with performance, classroom, meeting, and office space. DCA notes that using government funding for a study to determine the feasibility of office and performance space for three private companies may violate the anti-donation clause of the New Mexico Constitution.

JC/bb