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## FISCAL IMPACT REPORT

<b>SPONSOR</b> <u>O'Neill</u>	<b>LAST UPDATED</b> _____
	<b>ORIGINAL DATE</b> <u>2/28/2023</u>
<b>SHORT TITLE</b> <u>Northeast ABQ Land Sale</u>	<b>BILL NUMBER</b> <u>Senate Joint Resolution 13</u>
	<b>ANALYST</b> <u>Hanika-Ortiz</u>

**REVENUE\***  
(dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY23	FY24	FY25		
\$479.5			Nonrecurring	Property Control Reserve Fund

Parentheses ( ) indicate revenue decreases.

\*Amounts reflect most recent analysis of this legislation.

Relates to

### Sources of Information

LFC Files

#### Responses Received From

General Services Department (GSD)

New Mexico Attorney General (NMAG)

#### No Response Received

Department of Finance and Administration (DFA)

## SUMMARY

### Synopsis of Senate Joint Resolution 13

Senate Joint Resolution 13 (SJR13) ratifies and approves by the Legislature the sale of certain state-owned real property in Bernalillo County by the General Services Department (GSD).

SJR13 states that GSD holds the title to real property located at 4003 Edith Boulevard Northeast, Albuquerque, New Mexico, containing four and four tenths acres, more or less. SJR13 states that GSD is not using or planning a use for the property and Bernalillo County has agreed to purchase the Edith Boulevard Property for \$479,515. Passage of SJR13 would ratify and approve the sale by GSD of this real property. The sale would be contingent upon an agreement by the parties that the property be reconveyed to the state should it no longer be of service to Bernalillo County.

## FISCAL IMPLICATIONS

Presumably, the proceeds would go into the property control reserve fund to purchase, construct, renovate or plan for the construction or renovation of state buildings, to alleviate reliance on leased space. The appraised value is \$1,360,000 but the selling price is \$479,515, nearly 1/3 of the value.

## SIGNIFICANT ISSUES

SJR13 would approve the sale by GSD of certain state-owned real property located at 4003 Edith Boulevard NE, Albuquerque, New Mexico. For purposes of this analysis, it is assumed that the state no longer has plans or use for the property and it would be in the best interest of GSD and the state for the property to be sold. Under SJR13, GSD would be allowed to sell the property to Bernalillo County for an amount that, presumably, was pursuant to a negotiated sale between the parties, but only after an appraisal has been approved by the Taxation and Revenue Department.

Under New Mexico State law, state agencies and other public bodies may sell or otherwise convey real property, subject to certain requirements. *See* Section 13-6-2 to -3 NMSA 1978. If the terms of any agreement is for \$100 thousand or more, the sale, trade, or lease must be approved by the Legislature in advance. By passing this Resolution, the Legislature is delegating the authority to complete the transaction to GSD, including the buyer selection process used, purchase price, and terms and conditions. If the Legislature wishes to impose additional expectations upon the terms of this transaction, it should communicate those expectations through contingencies and requirements. One such requirement may be to require the State Board of Finance or Capital Buildings Planning Commission to approve the property disposition before it can be finalized.

## PERFORMANCE IMPLICATIONS

If ratified and approved, copies of SJR13 will be transmitted to the Secretary of GSD, the Manager of Bernalillo County, and the Bernalillo County Board of County Commissioners.

## OTHER SUBSTANTIVE ISSUES

A resolution is a formal declaration of the Legislature concerning some subject that it either cannot or does not wish to control by law. Joint resolutions are used to express the will of the Legislature, such as approving the sale, trade, or lease of state-owned real property.

## WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If SJR13 does not pass then any sale, trade, or lease does not become effective. *See* Section 13-6-3(A) NMSA 1978. Therefore, the ownership of the property will remain with the state.

## QUESTIONS

How does this sale fit into the CBPC's long-range master plan for the state?

AHO/rl/ne/mg