

LFC Requester:

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

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(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/12/2026 *Check all that apply:*
Bill Number: SJR07 Original Correction
 Amendment Substitute

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Szczepanski **Agency Name
and Code** Facilities Management Division
3500
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Nonrecurring | Fund Affected |
|---------------|------|------------------------------|------------------|
| FY26 | FY27 | | |
| N/A | N/A | N/A | N/A |
| | | | |

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

| Estimated Revenue | | | Recurring or Nonrecurring | Fund Affected |
|-------------------|------|------|---------------------------------|------------------|
| FY26 | FY27 | FY28 | | |
| N/A | N/A | N/A | N/A | N/A |
| | | | | |

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY25 | FY26 | FY27 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|--------------|------|------|------|----------------------|------------------------------|------------------|
| Total | N/A | N/A | N/A | N/A | N/A | N/A |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Senate Joint Resolution 07 ratifies and approves, pursuant to Section 13-6-3 NMSA 1978, the exchange of five state-owned parcels located within the “Midtown Campus” area of the Santa Fe by the New Mexico General Services Department (GSD) for one 34.9764-acre parcel owned by the City of Santa Fe located at 4491 Cerrillos Road.

The five state-owned parcels (Tracts A, B, D, 3, and O-1) total approximately 19.554 acres and have a combined appraised fair market value (FMV) of \$6.5 million. The city-owned parcel has an appraised FMV of \$8.63 million.

The exchange is proposed without additional monetary consideration and requires legislative ratification because the value exceeds \$550,000 as required under Section 13-6-3 NMSA 1978.

FISCAL IMPLICATIONS

The state is acquiring property with a higher appraised fair market value (FMV) than the property being exchanged, and no additional monetary compensation is involved.

Asset Value Differential:

- State property FMV: \$6.5 million
- City property FMV: \$8.63 million
- Net asset value gain to the state: approximately \$2.13 million

SIGNIFICANT ISSUES

SJR07 Land Exchange and Department of Public Safety Headquarters

The SJR07 land exchange grants the state ownership of city property currently occupied by the New Mexico Department of Public Safety (DPS) Headquarters. Previously, these facilities were situated on city property under a long-term land lease agreement. By acquiring the Cerrillos Road parcel, which houses the DPS Headquarters, the state is able to directly own the site. This acquisition supports the statewide capital master planning initiatives and aligns with long-term facilities consolidation strategies pursued by the General Services Department (GSD) and DPS.

City of Santa Fe Asset Consolidation and Midtown Redevelopment

Through this land exchange, the City of Santa Fe will acquire parcels located in the Midtown area from the state. These parcels are described as unused and are not designated for future state operations. For the city, obtaining these parcels is a significant step in consolidating strategic assets that can support the implementation of the Midtown development master plan. The

transfer of these properties aligns directly with the city's objectives to revitalize and redevelop the Midtown district.

Additionally, this exchange allows the state to obtain a developed site for its use, particularly one that houses essential infrastructure. As a result, the transaction is mutually beneficial, advancing the redevelopment goals of the City of Santa Fe while providing the state with property that meets its current operational needs. Thus, the exchange represents a “win-win” for both parties, fostering strategic development for the city and supporting the state’s facility requirements.

PERFORMANCE IMPLICATIONS

The exchange provides the state with ownership of the Cerrillos Road parcel with its developed DPS capital infrastructure improvements; reduces the management of small, underutilized parcels, and removal of the unused parcels from FMD inventory and reduces maintenance and contaminated site clean-up burdens that currently exist within the unused parcels.

ADMINISTRATIVE IMPLICATIONS

SJR07 pose no significant administrative implications for the Facilities Management Division of the General Services Department. However, the removal of the five parcels from the state property inventory will reduce annual inventory reconciliation processes for GSD.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SJR07 does not appear to have any apparent duplication or conflict, and no known companion legislation has been identified.

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

Alternatives could include:

- Direct sale of Midtown parcels and separate purchase of Cerrillos Road property.
- Maintain retention of Midtown parcels for future state redevelopment.
- Continue Long-term lease arrangements with the City of Santa Fe rather than fee simple exchange.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The consequences of not enacting this Joint Resolution and ratification of the land exchange would effectively render the status quo between the city and state, whereby GSD-FMD retains unused parcels and associated maintenance/liability costs. The state forfeits the opportunity to acquire a higher-value, larger parcel (on behalf of DPS) without additional compensation, and

would result in continued delay or disruption in coordinated land-use planning for the City of Santa Fe's Midtown redevelopment masterplan.

AMENDMENTS

CONCLUSION

SJR07 provides a net positive asset exchange to the state, improves strategic flexibility for long-term DPS facility planning, and reduces management of unused parcels within FMD's property portfolio. Fiscal impacts are limited and no transaction costs presently exist between the state and city. For the FMD and DPS, the exchange supports the state's portfolio rationalization and maintenance efficiency.