

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

BILL NUMBER: Senate Joint Resolution 7

SHORT TITLE: Santa Fe Property Exchange

SPONSOR: Sens. Trujillo and Wirth/Reps. Lujan and Szczepanski

LAST ORIGINAL
UPDATE: 2/13/2026 **DATE:** 2/12/2026 **ANALYST:** Hanika-Ortiz

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
GSD (to execute transaction)		Indeterminate but minimal	No fiscal impact		Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

General Services Department

Agency or Agencies That Were Asked for Analysis but did not Respond

Department of Finance and Administration

SUMMARY

Synopsis of Senate Joint Resolution 7

Senate Joint Resolution 7 (SJR7) ratifies and approves the exchange of real property within the city of Santa Fe, between the General Services Department (GSD) and the city of Santa Fe.

SJR7 would become effective upon the governor's signature. GSD would then be able to proceed with closing, assuming city of Santa Fe approval and all other conditions are satisfied.

FISCAL IMPLICATIONS

SJR7 is in alignment with Section 13-6-3 NMSA 1978 that requires ratification and approval by the state legislature prior to sale, trade or lease of certain real property becoming effective.

As the resolution explains, GSD holds title to five parcels, known as Tract A, Tract B, Tract D, Tract 3, Tract 0-1 (state property) in the city of Santa Fe's "midtown campus" area that the state

is not using or planning on using, with an appraised value of \$6.5 million. In exchange, the city of Santa Fe owns one parcel of land containing 35 acres, more or less (city property) at 4491 Cerrillos Road in Santa Fe, with an appraised value of \$8.6 million. Based on those values, the state will be exchanging \$6.5 million in state property for about \$8.6 million in city property.

The resolution says the parties agree the exchange constitutes adequate consideration. Despite a lower market value, midtown may have a higher intrinsic value given redevelopment potential.

SIGNIFICANT ISSUES

In 1968, the state entered into a 99-year lease with the city of Santa Fe to lease the land SJR7 proposes to swap with the city. GSD currently pays \$1 per year for that lease. Although the state does not own the land, it has paid to construct several facilities on the leased land for the Department of Public Safety, include the department's headquarters, the district 1 State Police headquarters, the department's secure storage facility, and Law Enforcement Academy, including the department's driving course. Most recently, the state constructed the \$14 million district 1 State Police headquarters there. The state's current lease expires September 30, 2067,

In recent years, the city of Santa Fe has signaled support for a land swap, which the city could use as part of its plan to develop the former campus of the Santa Fe University of Art and Design (formerly the College of Santa Fe).

PERFORMANCE IMPLICATIONS

Under Section 3-54-2 NMSA 1978, a municipality may exchange or donate real property to the state, if it's in the best interest of the public and approved by the Department of Finance and Administration, often following review by the State Board of Finance. The city or town typically adopts a resolution to document municipal governing body support for the exchange or donation.

SJR7 further resolves that copies of this resolution are to be transmitted to the secretary of GSD, the mayor of the city of Santa Fe, and the Santa Fe city council.

ADMINISTRATIVE IMPLICATIONS

SJR7 satisfies the statutory requirement for GSD, on behalf of the state, to complete the property exchange, after approval from the city of Santa Fe, and execute all deeds and closing documents.

AHO/cf/cf/sgs