

**FISCAL IMPACT REPORT**

**General Information:**

(Check)      **Bill:**   X                        **Resolution:** \_\_\_\_\_

**Short Title(s):** Approval of Midtown Studios Development and Disposition

**Sponsor(s):** Mayor Alan Webber

**Reviewing Department(s):** City Attorney’s Office, Metropolitan Redevelopment Agency, Public Works

**Staff Completing FIR:** Pat Feghali                      **Date:** 9/23/24                      **Phone:** 505-955-6501

**Reviewed by City Attorney:**                       **Date:** Oct 25, 2024

**Reviewed by Finance Director:**                       **Date:** Oct 25, 2024

**Summary:**

The City of Santa Fe (“City”) and Midtown Santa Fe Productions QOF, LLC (“Offeror”) entered into an Exclusive Negotiation Agreement on August 4, 2023 in order to agree to a plan for Offeror to improve and purchase certain parcels of the Midtown Site, located at 1600 St Michaels Drive (“Property”). The City and ASPECT QOZB, LLC (“Purchaser”), successor to Offeror, are now entering into a Development and Disposition Agreement for the Property.

NMSA 1987, Section 3-54-1 requires that the City approve the sale of City-owned property with an Ordinance. This Bill is created to comply with that statute.

**Departments Affected:**

Community Development Department (MRA), Public Works Department

**Consequences of Not Enacting Legislation:**

If this legislation is not adopted, the Development and Disposition Agreement cannot move forward, and the City would need to identify a new process for developing the affected parcels at Midtown

**Conflict, Duplication, Companionship, or Relationship to Other Legislation:**

Related to Resolution 2022-68, Midtown Master Plan Approval; and Resolution 2023-5, Midtown Community Development Plan Approval

**Performance and Administrative Implications:**

This Sale will transfer up to seven parcels from City ownership to private ownership.

**Fiscal Implications:**

The Developer will pay \$5 million over the course of this sale, in four installments, assuming the Developer completes all three phases. The first should be in FY 2025, and the last in FY 2031.

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**Fiscal Impact**

\_\_\_\_\_ Check here if no fiscal impact

**Expenditures**

<b>Expenditure Type</b>	<b>FYE 2025</b>	<b>FYE 2026</b>	<b>FYE 2027</b>	<b>Require BAR (Y/N)</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>	<b>3-Year Total Cost</b>
<u>Personnel and Benefits*</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Capital Outlay</u>	\$ _____	\$ _____	\$ _____	_____	_____	_____	
<u>Contractual/</u>	\$ _____	\$ _____	\$ _____		_____	_____	
<u>Professional Services</u>							
<u>Operating</u>	\$ _____	\$ _____	\$ _____		_____	_____	\$ _____
<u>Total:</u>	\$ 0 _____	\$ 0 _____	\$ 0 _____				\$ _____

**Expenditure Narrative:**

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**Revenue**

<b>Revenue Type</b>	<b>FYE 2025</b>	<b>FYE 2026</b>	<b>FYE 2027</b>	<b>Recurring (R) or Non-recurring (NR)</b>	<b>Fund</b>
General Fund	<u>\$1,000,000</u>	\$ _____	<u>\$2,250,000</u>	<u>NR</u>	_____
Special Revenue	\$ _____	\$ _____	\$ _____	_____	_____
CIP	\$ _____	\$ _____	\$ _____	_____	_____
Enterprise	\$ _____	\$ _____	\$ _____	_____	_____
Internal Service	\$ _____	\$ _____	\$ _____	_____	_____
Trust and Agency	\$ _____	\$ _____	\$ _____	_____	_____
Federal	\$ _____	\$ _____	\$ _____	_____	_____
Other	\$ _____	\$ _____	\$ _____	_____	_____
Total	\$ _____	\$ _____	\$ _____		

**Revenue Narrative:**

The revenue from these sales is due to take place in four installments, for a total of \$5,000,000, if all phases of the project are complete:

- \$1,000,000 is due to the City at the Effective Date of the Development and Disposition Agreement, which should be in FY 2025.
- \$2,250,000 is due at the end of Phase 1, which should be in FY 2027.
- \$1,250,000 is due at the end of Phase 2, which should be FY 2029.
- \$500,000 is due at the end of Phase 3, which should be FY 2031.

**Signature:** *Daniel Hernandez*

Daniel Hernandez (Oct 25, 2024 16:50 MDT)

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**Signature:**

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