

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1956-02
Bill No.: Truly Agreed To and Finally Passed SCS for HBs 808 & 951
Subject: Easements and Conveyances
Type: Original
Date: May 4, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	\$471,000	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$471,000	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	(\$470,000)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Natural Resources** assume the proposed legislation would have no fiscal impact on their agency.

In response to a similar proposal, officials from the **Governor's Office** and the **Department of Corrections** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Office of Attorney General** assume the costs of the proposed legislation can be absorbed with existing resources.

Officials from the **Office of Administration – Division of Budget and Planning** assume the proposed legislation should not result in additional costs or savings to their agency. Officials noted there could be impact on total state revenue.

In response to a similar proposal, officials from the **City of Jefferson** assume, for the parcel containing .51 acres, the City has agreed to transfer to the State property in the same area with an equal number of parking spaces. The State will neither gain nor lose revenue. Costs associated with the transfers will be the responsibility of the City of Jefferson. The property containing 35.01 acres being transferred will be used to locate a new wastewater pumping station as part of a \$52,000,000 wastewater improvement project funded by the State Revolving Fund administered by the Department of Natural Resources.

Officials from the **Office of Administration – Division of Design and Construction (DAC)** assume the revenue for the first parcel (containing 35.01 acres) to be conveyed to Cole County is based on agreed value of \$470,000 for existing lagoon system. Revenue for the second parcel (containing .51 acres) to be conveyed to Cole County is based on the approximate facility value of \$80,000 as reported in the Land and Buildings System (LABS). DAC also assumes the referenced property of the third parcel (containing 93.56 sq. ft.) would be sold by the state at an average square foot value (\$10.00 per sq. ft.) as provided by the Cole County Assessors Office. Therefore, $93.56 \text{ sq. ft.} \times \$10.00 = \$935.60$, or approximately \$1,000.

Oversight assumes a price approximating the values for the parcels containing 35.01 acres and 93.56 sq. ft. will be negotiated between the state and the City of Jefferson and Governor Hotel, LLC. Oversight also assumes the value of the property the state receives in exchange for the parcel containing .51 acres will be approximately equal to the value of the .51 acre parcel.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
GENERAL REVENUE FUND			
<u>Revenue - Office of Administration</u>			
Value of Property (35.51 acre parcel)	\$470,000	\$0	\$0
Value of Property (93.56 sq. ft. parcel)	<u>\$1,000</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Revenue</u> - Office of Administration	<u>\$471,000</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$471,000</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
<u>Costs - City of Jefferson</u>			
Payment for Property (35.51 acre parcel)	<u>(\$470,000)</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

The proposed legislation authorizes the conveyance of two parcels of property owned by the state to Jefferson City. The proposal further authorizes the Governor to convey a parcel of state property in Jefferson City to the Governor Hotel, LLC.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

- Office of Attorney General
- Office of Administration
 - Division of Design and Construction
 - Division of Budget and Planning

SOURCES OF INFORMATION (continued)

Governor's Office
Department of Natural Resources
Department of Corrections
City of Jefferson

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is written in a cursive style with a large initial "J".

Jeanne Jarrett, CPA
Director

May 4, 2001