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MEMORANDUM

February 6, 2017

- **TO:** Capital Development Committee
- FROM: Matt Becker, Research Analyst, 303-866-4785
- SUBJECT: State-Owned Vacant Buildings

Summary

This memorandum provides information about vacant buildings owned by the state of Colorado, as reported by the Office of State Architect (OSA) in December 2016. There are currently 129 state-owned vacant buildings managed by four state departments and four institutions of higher education. Future plans for these buildings vary by agency.

Vacant Building Reporting

Current law requires all state departments and higher education institutions to identify their vacant facilities and report them to OSA on an annual basis through facility management plans. OSA maintains an inventory list of state-owned vacant buildings that are funded or maintained by the General Fund. This list is available on the OSA website. This memorandum does not address vacant buildings managed by the Department of Natural Resources, the State Land Board, or the Colorado Department of Transportation because in general, those vacant buildings are not supported by the General Fund. Unless exempted by the Capital Development Committee (CDC), a state agency is not eligible for capital construction appropriations until OSA approves facility management plans for all of its vacant facilities.¹

State-Owned Inventory of Vacant Buildings

Table 1 summarizes the 129 state-owned vacant buildings by major facility or campus, including the gross square feet (GSF), insured value, and the range of Facility Condition Index (FCI) ratings for each. It also includes responses from each agency about its willingness to sell

¹Section 24-30-1303.5 (3.5), C.R.S.

or lease its vacant buildings. The insured value for each building is reported to OSA by the State Office of Risk Management. Generally speaking, the FCI rating assumes a life span of 100 years for a building and, if left untouched, a building loses about one point in its FCI rating each year. The OSA target rating for state buildings is 85.

Facility/Comput	Duildingo	GSF	Insured Value	FCI	Willing	Willing to
Facility/Campus Corrections	Buildings	GSF	value	Range	to Sell?	Lease?
Colorado State Penitentiary II	1	448,222	\$144,309,000	95%	Yes	Yes
Various other buildings	12	12,889	\$726,782	0 - 40%	No	No
Corrections Total	13	461,111	\$145,035,782	0 4070	110	110
Human Services		,	••••••			
Colorado Mental Health Institute at Fort Logan	1	8,558	\$1,695,000	31%	No	Yes
Colorado Mental Health Institute at Pueblo	8	141,375	\$24,677,600	34 - 64%	No	Yes
Grand Junction Regional Center	11	95,009	\$14,610,346	14 - 87%	Pending	SB16-178
Homelake Veterans Community Living Center	13	28,220	\$2,579,506	9 - 43%	No	Yes
Lathrop State Park	6	31,604	\$4,051,812	23 - 71%	Yes	Yes
Wheat Ridge Regional Center	7	58,992	\$7,766,279	23 - 24%	Yes	Yes
Mount View Youth Services Center	2	11,922	\$1,946,410	11 - 49%	No	Yes
Human Services Total	48	375,680	\$57,326,953			
Military and Veterans Affairs						
Grand Junction Armory	1	14,545	\$1,515,474	40%	No	Yes
Las Animas Armory	1	10,583	\$1,145,590	30%	Yes	No
Military and Veterans Affairs Total	2	25,128	\$2,661,064			
Personnel and Administration						
Fort Lyon	40	141,033	\$21,713,424	20 - 75%	No	Yes
Personnel and Administration Total	40	141,033	\$21,713,424			
Colorado Community College System	(CCCS)					
Lowry Campus	4	423,030	\$69,414,289	19 - 43%	No	Yes
CCCS Total	4	423,030	\$69,414,289			
Colorado State University (CSU) Syste	em			-		
Various research buildings	15	11,540	\$2,081,535	35 - 90%	Yes	Yes
Belmont Hall, CSU-Pueblo	1	120,000	\$21,576,250	54%	No	No
CSU System Total	16	131,540	\$23,657,785			
Pueblo Community College						
Former prison buildings, Fremont Campus	5	4,862	\$0	18%	No	No
Pueblo Community College Total	5	4,862	\$0			
University of Colorado Denver						
Building 610	1	6,960	\$1,478,883	50%	No	No
University of Colorado Denver Total	1	6,960	\$1,478,883			
Grand Total	129	1,569,344	\$321,288,180			

Table 1. Vacant Buildings Summary

Sources: Office of the State Architect and Legislative Council Staff

Reluctance or inability to sell or lease. The reasons for an agency's reluctance or inability to sell or lease its vacant buildings vary. Examples include: security concerns; deed restrictions; access/egress issues; historic designation; and outcomes of legislation associated with certain campuses. For example, the future of the vacant buildings at the Grand Junction Regional Center campus is dependent upon the outcome of the directives in Senate Bill 16-178. Similarly, the future use of the Fort Lyon campus is dependent upon the study commissioned by House Bill 16-1411. Detailed information about each vacant building can be found online.²

Potential Committee Action

Based on the information contained in this memorandum regarding state-owned vacant buildings, the committee could decide to take one of the following actions.

- 1. *Status quo.* This option allows agencies to continue working with OSA on facility management plans for their vacant buildings. The list of vacant buildings will continue to be available on the OSA website. Members of the public can inquire with each agency about buying or leasing the vacant buildings listed on the website.
- 2. Request each agency to annually update the CDC about its vacant buildings. Under this option, CDC staff can coordinate with each agency to present an update to the committee at the annual hearings each December.
- 3. Send a letter to each agency requesting that it actively market the sale or lease of its available vacant buildings.
- 4. Introduce committee legislation requiring each agency to advertise the sale or lease of their vacant buildings. This option could include directing agencies and institutions to work with OSA to advertise the sale or lease of vacant buildings through various real estate listing services or electronic solicitation systems, such as Colorado Vendor Self Service (ColoradoVSS).

²<u>https://www.colorado.gov/pacific/osa/vacant-facilities</u>