



**Colorado
Legislative
Council
Staff**

HB16-1351

**FINAL
FISCAL NOTE**

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0502
Prime Sponsor(s): Rep. Windholz
Sen. Crowder

Date: July 21, 2016
Bill Status: Postponed Indefinitely
Fiscal Analyst: Josh Abram (303-866-3561)

BILL TOPIC: LAND TRANSFERS FOR VETERANS HOUSING

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	Minimal workload increase. See State Expenditures section.	
Appropriation Required: None.		
Future Year Impacts: None.		

NOTE: This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

No later than January 1, 2017, this bill directs the executive director of the Department of Human Services (DHS) to convey two parcels of land at the former Fitzsimons army post to the housing authority of the city of Aurora, Colorado, at no cost. One parcel must be suitable for the development of transitional housing for homeless veterans and veterans with disabilities and a second parcel must be suitable for the development of assisted living housing for veterans with disabilities, and their spouses and legal dependents. Each parcel of land is to be no more than one and one-half acres in size.

Within two years of receiving the parcels from the DHS, The City of Aurora's housing authority is required to begin construction on the transitional housing facility and the assisted living housing facility. Should the city fail to commence construction by the deadline, the city must convey the parcel(s) back to the DHS at no cost.

Finally, this bill exempts the new facilities to be built by the City of Aurora from the statutory requirement that veterans' centers constructed on or after July 1, 1998 have a bed capacity of at least 120 beds, and the requirement that no new veterans' centers be built after July 1, 1998, unless other centers have maintained an average occupancy rate of at least 80 percent over a six month period immediately prior to construction.

Background

In 1999, the Fitzsimons redevelopment authority (FRA), the federally-recognized local redevelopment authority for the former United States Army Operations, Fitzsimons military installation (Fitzsimons), entered into a memorandum of agreement with the United States Army to transfer a parcel of approximately fifteen acres of land at Fitzsimons at no cost to the DHS, so that the department could construct a state veterans nursing home, assisted living facility, and transitional housing for homeless veterans and veterans with disabilities.

In 2001, the FRA conveyed the parcel to the DHS by way of a quit-claim deed. The land is currently planned for development pursuant to the original memorandum of understanding. The DHS constructed the Colorado state veterans home at Fitzsimons, which opened in 2002, on a portion of the parcel, but the department has not yet developed transitional housing for homeless veterans and veterans with disabilities.

The DHS recently completed a needs study which identified a domiciliary for veterans as the number one need for services on the Front Range. As such, the department is planning on developing the remaining land at Fitzsimons to include a domiciliary and transitional housing for veterans. The department is currently working on a Request for Proposals to solicit investors for the project and is preparing to request partial funding for the project from the United States Veterans Administration.

State Revenue and Expenditures

The bill does not change state expenditures or state revenue. The DHS will have a minimal increase in workload and transaction costs associated with conveying the land to the City of Aurora Housing Authority, and the land will no longer be owned by the state nor available to build veterans' facilities on those parcels. The de minimis transaction costs to convey the property from the state to the local housing authority will not require the appropriation of state funds.

The bill reduces potential construction costs in the DHS associated with the new facilities at the Fitzsimons site. No state appropriations are currently allocated for this purpose.

Local Government Impact

The housing authority of the City of Aurora will obtain vacant land from the state at no cost. If the City of Aurora Housing Authority develops the vacant land and constructs a transitional housing facility or domiciliary, it will incur costs to do so. The housing authority will seek available federal funding and other funding sources to finance the project.

Effective Date

The bill was postponed indefinitely by the House State, Veterans, and Military Affairs Committee on March 28, 2016.

State and Local Government Contacts

Human Services