## First Regular Session **Seventy-third General Assembly** STATE OF COLORADO

## **PREAMENDED**

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 21-0918.01 Esther van Mourik x4215

**HOUSE BILL 21-1274** 

#### **HOUSE SPONSORSHIP**

Titone, Amabile, Bernett, Bird, Boesenecker, Cutter, Duran, Exum, Hooton, Jackson, Jodeh, Kennedy, Lontine, McCormick, Mullica, Ricks, Roberts, Valdez A., Young

#### SENATE SPONSORSHIP

Zenzinger and Hisey,

# **House Committees**

#### **Senate Committees**

Business Affairs & Labor

State, Veterans, & Military Affairs

	A BILL FOR AN ACT
101	CONCERNING THE BENEFICIAL USE OF UNUSED STATE-OWNED REAL
102	PROPERTY, AND, IN CONNECTION THEREWITH, DIRECTING THE
103	DEPARTMENT OF PERSONNEL TO INVENTORY SUCH PROPERTY
104	AND USE SUCH PROPERTY TO PROMOTE AFFORDABLE HOUSING,
105	CHILD CARE, PUBLIC SCHOOLS, RESIDENTIAL MENTAL AND
106	BEHAVIORAL HEALTH CARE, AND RENEWABLE ENERGY
107	DEVELOPMENT.

### **Bill Summary**

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

3rd Reading Unamended May 10, 2021

The bill requires the department of personnel (department) to create and maintain an inventory of unused state-owned real property and to determine whether the unused state-owned real property identified is suitable for construction of affordable housing or placement of renewable energy facilities, or if such property is suitable for other purposes.

The department is authorized to seek proposals from qualified developers to construct affordable housing or to place renewable energy facilities on unused state-owned real property that the department has deemed suitable.

The department is authorized to enter into contracts with qualified developers for proposals to construct affordable housing or to place renewable energy facilities on unused state-owned real property that the department has deemed suitable, subject to available appropriations.

The bill creates the unused state-owned real property cash fund to which the state treasurer is required to credit all proceeds from the sale, rent, or lease of unused state-owned real property.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** In Colorado Revised Statutes, add 24-82-102.5 as 3 follows: 4 24-82-102.5. Unused state-owned real property - cash fund -5 **legislative declaration - definitions.** (1) (a) THE GENERAL ASSEMBLY 6 HEREBY FINDS AND DECLARES THAT: 7 (I) THE STATE OWNS A SURPLUS OF REAL PROPERTY THAT IS NOT 8 NEEDED FOR STATE USE THAT COULD PROVIDE BENEFITS TO COLORADO, 9 INCLUDING FOR AFFORDABLE HOUSING, CHILD CARE, PUBLIC SCHOOLS, 10 RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE, AND RENEWABLE 11 ENERGY; 12 (II) THE DEPARTMENT OF PERSONNEL IS ALREADY AUTHORIZED IN 13 SECTION 24-82-102 (2)(a) TO RENT OR LEASE REAL PROPERTY NOT 14 PRESENTLY NEEDED FOR STATE USE; 15 (III)THE STATE HAS SET AMBITIOUS GOALS TO INCREASE 16 RENEWABLE ENERGY PRODUCTION ACROSS COLORADO;

-2-

1	(IV) FAMILIES THROUGHOUT COLORADO CONTINUE TO
2	EXPERIENCE A SHORTAGE OF QUALITY AND AFFORDABLE CHILD CARE
3	OPTIONS;
4	(V) There is a continued need in Colorado for quality
5	PUBLIC SCHOOL FACILITIES;
6	(VI) THERE IS A CONTINUED NEED IN COLORADO FOR QUALITY
7	RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE FACILITIES;
8	(VII) MANY SENIOR CITIZENS, VETERANS, AND OTHER
9	HARD-WORKING COLORADANS ARE UNABLE TO AFFORD TO LIVE IN OR
10	NEAR THE COMMUNITIES IN WHICH THEY WORK AND FAR TOO MANY
11	COLORADANS PAY IN EXCESS OF HALF THEIR MONTHLY INCOME ON THEIR
12	BASIC NEEDS;
13	(VIII) AS THE AVAILABILITY OF FINDING LAND SUITABLE FOR THE
14	DEVELOPMENT OF AFFORDABLE HOUSING THAT CAN BE OBTAINED ON AN
15	ECONOMIC BASIS IS OFTEN A SIGNIFICANT BARRIER TO THE DEVELOPMENT
16	OF SUCH HOUSING, THE IDENTIFICATION OF UNUSED STATE-OWNED REAL
17	PROPERTY, WITH THE ULTIMATE OBJECTIVE OF ASSESSING SUCH PROPERTY
18	FOR ITS SUSTAINABILITY AND POTENTIAL USE FOR AFFORDABLE HOUSING,
19	PROMISES TO BE A CRITICAL TOOL AVAILABLE TO THE STATE AND EVEN
20	LOCAL GOVERNMENTS IN MEETING THE STATE'S HOUSING NEEDS FOR
21	THESE SEGMENTS OF THE POPULATION; AND
22	(IX) SINCE REAL PROPERTY OWNED BY THE STATE ULTIMATELY
23	BELONGS TO THE PEOPLE OF COLORADO, THE STATE SHOULD MAXIMIZE
24	THE USE AND VALUE OF ITS RESOURCES, INCLUDING UNUSED REAL
25	PROPERTY, TO ADDRESS THE NEEDS OF THE STATE'S POPULATION.
26	(b) By enacting this section, the general assembly intends
27	FOR THE DEPARTMENT TO CONDUCT A DEVIEW OF STATE-OWNED DEAL

-3-

1	PROPERTY THAT IS NOT PRESENTLY USED FOR STATE PURPOSES AND TO
2	TRANSPARENTLY ENTER INTO AGREEMENTS TO CONSTRUCT AFFORDABLE
3	HOUSING, CHILD CARE FACILITIES, PUBLIC SCHOOL FACILITIES,
4	RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE FACILITIES, OR
5	RENEWABLE ENERGY PRODUCTION FACILITIES ON SUITABLE UNUSED
6	STATE-OWNED REAL PROPERTY AND TO DETERMINE OTHER BENEFICIAL
7	USES OF ANY SUCH UNUSED STATE-OWNED REAL PROPERTY.
8	(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
9	REQUIRES:
10	(a) "DEPARTMENT" MEANS THE DEPARTMENT OF PERSONNEL.
11	(b) "FUND" MEANS THE UNUSED STATE-OWNED REAL PROPERTY
12	FUND CREATED IN SUBSECTION (5) OF THIS SECTION.
13	(c) "Unused state-owned real property" means
14	STATE-OWNED REAL PROPERTY OWNED BY OR UNDER THE CONTROL OF A
15	STATE AGENCY, NOT INCLUDING THE DIVISION OF PARKS AND WILDLIFE IN
16	THE DEPARTMENT OF NATURAL RESOURCES AND NOT INCLUDING THE
17	STATE BOARD OF LAND COMMISSIONERS OR ANY STATE INSTITUTION OF
18	HIGHER EDUCATION AS DEFINED IN SECTION 24-30-1301 (18), THAT IS NOT
19	OTHERWISE PROTECTED FOR OR DEDICATED TO ANOTHER USE SUCH AS AN
20	ACCESS OR A CONSERVATION EASEMENT.
21	(3) (a) The department shall maintain an inventory of
22	UNUSED STATE-OWNED REAL PROPERTY AND SHALL POST A LIST OF THE
23	INVENTORY ON ITS WEBSITE. THE INVENTORY MUST BE UPDATED
24	ANNUALLY.
25	(b) THE DEPARTMENT MAY REQUEST THE LIST PROVIDED TO THE
26	CAPITAL DEVELOPMENT COMMITTEE UNDER SECTION 2-3-1304 (3) AS A

BASIS FOR THE DEPARTMENT'S INVENTORY, BUT THE DEPARTMENT SHALL

27

-4- 1274

1	INDEPENDENTLY ASCERTAIN THE INVENTORY FOR THE DEPARTMENT'S
2	PURPOSES UNDER THIS SECTION.
3	(4) (a) The department shall determine whether the
4	UNUSED STATE-OWNED REAL PROPERTY IDENTIFIED BY THE DEPARTMENT
5	UNDER SUBSECTION (3) OF THIS SECTION IS SUITABLE FOR CONSTRUCTION
6	OF AFFORDABLE HOUSING, CHILD CARE FACILITIES, <u>PUBLIC SCHOOL</u>
7	FACILITIES, RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE
8	FACILITIES, OR PLACEMENT OF RENEWABLE ENERGY FACILITIES, OR MAY
9	RECOMMEND THAT SUCH PROPERTY SHOULD BE SOLD OR IS SUITABLE FOR
10	OTHER PURPOSES.
11	(b) In determining the suitability of property under
12	SUBSECTION (4)(a) OF THIS SECTION, THE DEPARTMENT MAY CONSULT
13	WITH AND SEEK INPUT FROM:
14	(I) THE STATE ARCHITECT, OR THEIR DESIGNEE;
15	(II) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL
16	AFFAIRS, OR THEIR DESIGNEE;
17	(III) ANY RELEVANT POLITICAL SUBDIVISIONS OF THE STATE;
18	(IV) ANY ADDITIONAL RENEWABLE ENERGY FACILITY EXPERTS;
19	(V) ANY ADDITIONAL CHILD <u>CARE</u> , <u>PUBLIC SCHOOL</u> , AND MENTAL
20	AND BEHAVIORAL HEALTH CARE EXPERTS; AND
21	(VI) ANY ADDITIONAL AFFORDABLE HOUSING EXPERTS.
22	(c) Notwithstanding any section to the contrary, the
23	DEPARTMENT MAY SEEK PROPOSALS FROM QUALIFIED DEVELOPERS TO
24	CONSTRUCT AFFORDABLE HOUSING, CHILD CARE FACILITIES, <u>PUBLIC</u>
25	SCHOOL FACILITIES, OR RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH
26	CARE FACILITIES, OR TO PLACE RENEWABLE ENERGY FACILITIES ON
27	UNUSED STATE-OWNED REAL PROPERTY THAT THE DEPARTMENT HAS

-5- 1274

- 1 DEEMED SUITABLE UNDER SUBSECTION (4)(a) OF THIS SECTION.
- 2 PROPOSALS MUST BE SOUGHT IN ACCORDANCE WITH THE "PROCUREMENT
- 3 CODE", ARTICLES 101 TO 112 OF THIS TITLE 24.
- 4 (d) The department may enter into contracts with
- 5 QUALIFIED DEVELOPERS FOR PROPOSALS TO CONSTRUCT AFFORDABLE
- 6 HOUSING, CHILD CARE FACILITIES, PUBLIC SCHOOL FACILITIES, OR
- 7 RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE FACILITIES, OR TO
- 8 PLACE RENEWABLE ENERGY FACILITIES ON UNUSED STATE-OWNED REAL
- 9 PROPERTY THAT THE DEPARTMENT HAS DEEMED SUITABLE UNDER
- 10 SUBSECTION (4)(a) OF THIS SECTION, SUBJECT TO AVAILABLE
- 11 APPROPRIATIONS. BUDGET REQUESTS UNDER THIS SECTION MUST BE MADE
- 12 THROUGH THE PROCESS ESTABLISHED IN SECTION 24-37-304 (1)(c.3);
- 13 EXCEPT THAT, BUDGET REQUESTS UNDER THIS SECTION MAY NOT BE MADE
- 14 THROUGH A REQUEST FOR A SUPPLEMENTAL APPROPRIATION.
- Notwithstanding section 24-82-102 (2)(a), contracts between the
- 16 STATE AND QUALIFIED DEVELOPERS MAY NOT REQUIRE IMPROVEMENTS
- 17 CONSTRUCTED ON STATE PROPERTY FOR THE PURPOSES OF THIS SECTION
- 18 TO BECOME THE PROPERTY OF THE STATE UPON TERMINATION OF A LEASE
- 19 FOR SUCH PROPERTY.
- 20 (e) In the event the department plans to enter into a
- 21 CONTRACT REGARDING ANY UNUSED STATE-OWNED REAL PROPERTY AS
- 22 AUTHORIZED BY THIS SECTION, OR IN THE EVENT THE DEPARTMENT ENTERS
- 23 INTO A LEASE OF UNUSED STATE-OWNED REAL PROPERTY AS ALLOWED
- 24 UNDER SECTION 24-82-102 (2)(a), THE DEPARTMENT SHALL FIRST SUBMIT
- 25 A REPORT TO THE CAPITAL DEVELOPMENT COMMITTEE THAT OUTLINES THE
- 26 ANTICIPATED USE OF THE PROPERTY. THE CAPITAL DEVELOPMENT
- 27 COMMITTEE SHALL REVIEW THE REPORTS SUBMITTED BY THE

-6-

1	DEPARTMENT, MAKE RECOMMENDATIONS TO THE DEPARTMENT
2	CONCERNING THE ANTICIPATED USE OF THE UNUSED STATE-OWNED REAL
3	PROPERTY, AND APPROVE OR DISAPPROVE THE ANTICIPATED USE OF THE
4	UNUSED STATE-OWNED REAL PROPERTY. THE DEPARTMENT SHALL NOT
5	ENTER INTO A CONTRACT REGARDING UNUSED STATE-OWNED REAL
6	PROPERTY OR LEASE UNUSED STATE-OWNED REAL PROPERTY WITHOUT THE
7	APPROVAL OF THE CAPITAL DEVELOPMENT COMMITTEE.
8	(5) (a) The unused state-owned real property fund is
9	HEREBY CREATED IN THE STATE TREASURY. UNLESS OTHERWISE
10	DIRECTED, THE STATE TREASURER SHALL CREDIT ALL PROCEEDS FROM THE
11	SALE, RENT, OR LEASE, INCLUDING ANY LEASES ENTERED INTO UNDER
12	SECTION 24-82-102 (2)(a), OF UNUSED STATE-OWNED REAL PROPERTY TO
13	THE FUND. THE FUND ALSO CONSISTS OF ANY OTHER MONEY THAT THE
14	GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.
15	(b) The state treasurer shall credit all interest and
16	INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
17	UNUSED STATE-OWNED REAL PROPERTY FUND TO THE FUND. ANY
18	UNEXPENDED AND UNENCUMBERED MONEY IN THE FUND AT THE END OF
19	A FISCAL YEAR REMAINS IN THE FUND. SUBJECT TO ANNUAL
20	APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT MAY
21	EXPEND MONEY FROM THE FUND FOR THE PURPOSES SET FORTH IN THIS

SECTION 2. In Colorado Revised Statutes, 24-30-1303.8, amend (1)(a) as follows:

22

23

24

27

SECTION.

24-30-1303.8. Governor's mansion maintenance fund -

SECTION, INCLUDING FOR APPRAISALS, SURVEYS, AND PROPERTY

IMPROVEMENT, AND FOR ANY OPERATIONAL COSTS TO ADMINISTER THIS

-7-

**creation - report.** (1) (a) The governor's mansion maintenance fund, referred to in this section as the "fund", is hereby created in the state treasury. The fund consists of money earned from the operation of the governor's mansion, such as rental fees, AND ANY PROCEEDS FROM THE LEASE OF THE PARKING LOT ASSOCIATED WITH THE GOVERNOR'S MANSION PROPERTY, which money is credited to the fund by the state treasurer, and any other money that the general assembly may appropriate or transfer to the fund. except that the fund balance may not exceed five hundred thousand dollars at the close of any fiscal year. The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund. Subject to annual appropriation by the general assembly, the governor's office may expend money from the fund for any operating costs for any governor's mansion activities and the department may expend money from the fund for controlled maintenance of the governor's mansion; except that the capital development committee shall review any appropriation requests for controlled maintenance and shall forward its recommendations to the joint budget committee.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

**SECTION 3.** In Colorado Revised Statutes, 43-1-210, **amend** (5)(a)(IV)(A) as follows:

**43-1-210.** Acquisition and disposition of property department of transportation renovation fund. (5) (a) (IV) (A) If the abutting owner or underlying fee owner refuses to exercise the first right of refusal to purchase or exchange the property or interest therein under subparagraph (III) of this paragraph (a) SUBSECTION (5)(a)(III) OF THIS SECTION or if the department determines that such property or interest is of use to more than one owner or potential owner, any political subdivision of this state including but not limited to any state agency, city

-8-

1 or town, or county located within the boundaries of the property or 2 interest therein shall have first right of refusal to purchase or exchange 3 such property or interest at the fair market value. DURING THE FIRST 4 RIGHT OF REFUSAL PERIOD, THE DEPARTMENT OF PERSONNEL, AS PART OF 5 THE PROCESS DESCRIBED IN SECTION 24-82-102.5 (4)(a), MAY DETERMINE 6 THAT THE PROPERTY BEING OFFERED FOR SALE BY THE DEPARTMENT OF 7 TRANSPORTATION COULD BE USED FOR AFFORDABLE HOUSING, CHILD 8 CARE, OR PLACEMENT OF RENEWABLE ENERGY FACILITIES, IN WHICH CASE 9 THEIR RIGHT OF FIRST REFUSAL SUPERSEDES THE RIGHT OF ANY OTHER 10 POLITICAL SUBDIVISION OF THE STATE. 11 **SECTION 4.** Act subject to petition - effective date. This act 12 takes effect at 12:01 a.m. on the day following the expiration of the 13 ninety-day period after final adjournment of the general assembly; except 14 that, if a referendum petition is filed pursuant to section 1 (3) of article V 15 of the state constitution against this act or an item, section, or part of this 16 act within such period, then the act, item, section, or part will not take 17 effect unless approved by the people at the general election to be held in 18 November 2022 and, in such case, will take effect on the date of the

official declaration of the vote thereon by the governor.

19

-9- 1274