

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

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 21-0918.01 Esther van Mourik x4215

HOUSE BILL 21-1274

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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, RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH**
106 **CARE, AND RENEWABLE ENERGY 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>.)

The bill requires the department of personnel (department) to

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
May 10, 2021

HOUSE
Amended 2nd Reading
May 7, 2021

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, RESIDENTIAL MENTAL
10 AND BEHAVIORAL HEALTH CARE, AND RENEWABLE ENERGY;

11 (II) THE DEPARTMENT OF PERSONNEL IS ALREADY AUTHORIZED IN
12 SECTION 24-82-102 (2)(a) TO RENT OR LEASE REAL PROPERTY NOT
13 PRESENTLY NEEDED FOR STATE USE;

14 (III) THE STATE HAS SET AMBITIOUS GOALS TO INCREASE
15 RENEWABLE ENERGY PRODUCTION ACROSS COLORADO;

16 (IV) FAMILIES THROUGHOUT COLORADO CONTINUE TO
17 EXPERIENCE A SHORTAGE OF QUALITY AND AFFORDABLE CHILD CARE

1 OPTIONS;

2 (V) THERE IS A CONTINUED NEED IN COLORADO FOR QUALITY
3 RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE FACILITIES;

4 (VI) MANY SENIOR CITIZENS, VETERANS, AND OTHER
5 HARD-WORKING COLORADANS ARE UNABLE TO AFFORD TO LIVE IN OR
6 NEAR THE COMMUNITIES IN WHICH THEY WORK AND FAR TOO MANY
7 COLORADANS PAY IN EXCESS OF HALF THEIR MONTHLY INCOME ON THEIR
8 BASIC NEEDS;

9 (VII) AS THE AVAILABILITY OF FINDING LAND SUITABLE FOR THE
10 DEVELOPMENT OF AFFORDABLE HOUSING THAT CAN BE OBTAINED ON AN
11 ECONOMIC BASIS IS OFTEN A SIGNIFICANT BARRIER TO THE DEVELOPMENT
12 OF SUCH HOUSING, THE IDENTIFICATION OF UNUSED STATE-OWNED REAL
13 PROPERTY, WITH THE ULTIMATE OBJECTIVE OF ASSESSING SUCH PROPERTY
14 FOR ITS SUSTAINABILITY AND POTENTIAL USE FOR AFFORDABLE HOUSING,
15 PROMISES TO BE A CRITICAL TOOL AVAILABLE TO THE STATE AND EVEN
16 LOCAL GOVERNMENTS IN MEETING THE STATE'S HOUSING NEEDS FOR
17 THESE SEGMENTS OF THE POPULATION; AND

18 (VIII) SINCE REAL PROPERTY OWNED BY THE STATE ULTIMATELY
19 BELONGS TO THE PEOPLE OF COLORADO, THE STATE SHOULD MAXIMIZE
20 THE USE AND VALUE OF ITS RESOURCES, INCLUDING UNUSED REAL
21 PROPERTY, TO ADDRESS THE NEEDS OF THE STATE'S POPULATION.

22 (b) BY ENACTING THIS SECTION, THE GENERAL ASSEMBLY INTENDS
23 FOR THE DEPARTMENT TO CONDUCT A REVIEW OF STATE-OWNED REAL
24 PROPERTY THAT IS NOT PRESENTLY USED FOR STATE PURPOSES AND TO
25 TRANSPARENTLY ENTER INTO AGREEMENTS TO CONSTRUCT AFFORDABLE
26 HOUSING, CHILD CARE FACILITIES, RESIDENTIAL MENTAL AND BEHAVIORAL
27 HEALTH CARE FACILITIES, OR RENEWABLE ENERGY PRODUCTION

1 FACILITIES ON SUITABLE UNUSED STATE-OWNED REAL PROPERTY AND TO
2 DETERMINE OTHER BENEFICIAL USES OF ANY SUCH UNUSED STATE-OWNED
3 REAL PROPERTY.

4 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
5 REQUIRES:

6 (a) "DEPARTMENT" MEANS THE DEPARTMENT OF PERSONNEL.

7 (b) "FUND" MEANS THE UNUSED STATE-OWNED REAL PROPERTY
8 FUND CREATED IN SUBSECTION (5) OF THIS SECTION.

9 (c) "UNUSED STATE-OWNED REAL PROPERTY" MEANS
10 STATE-OWNED REAL PROPERTY OWNED BY OR UNDER THE CONTROL OF A
11 STATE AGENCY, NOT INCLUDING THE DIVISION OF PARKS AND WILDLIFE IN
12 THE DEPARTMENT OF NATURAL RESOURCES AND NOT INCLUDING THE
13 STATE BOARD OF LAND COMMISSIONERS OR ANY STATE INSTITUTION OF
14 HIGHER EDUCATION AS DEFINED IN SECTION 24-30-1301 (18), THAT IS NOT
15 OTHERWISE PROTECTED FOR OR DEDICATED TO ANOTHER USE SUCH AS AN
16 ACCESS OR A CONSERVATION EASEMENT.

17 (3) (a) THE DEPARTMENT SHALL MAINTAIN AN INVENTORY OF
18 UNUSED STATE-OWNED REAL PROPERTY AND SHALL POST A LIST OF THE
19 INVENTORY ON ITS WEBSITE. THE INVENTORY MUST BE UPDATED
20 ANNUALLY.

21 (b) THE DEPARTMENT MAY REQUEST THE LIST PROVIDED TO THE
22 CAPITAL DEVELOPMENT COMMITTEE UNDER SECTION 2-3-1304 (3) AS A
23 BASIS FOR THE DEPARTMENT'S INVENTORY, BUT THE DEPARTMENT SHALL
24 INDEPENDENTLY ASCERTAIN THE INVENTORY FOR THE DEPARTMENT'S
25 PURPOSES UNDER THIS SECTION.

26 (4) (a) THE DEPARTMENT SHALL DETERMINE WHETHER THE
27 UNUSED STATE-OWNED REAL PROPERTY IDENTIFIED BY THE DEPARTMENT

1 UNDER SUBSECTION (3) OF THIS SECTION IS SUITABLE FOR CONSTRUCTION
2 OF AFFORDABLE HOUSING, CHILD CARE FACILITIES, RESIDENTIAL MENTAL
3 AND BEHAVIORAL HEALTH CARE FACILITIES, OR PLACEMENT OF
4 RENEWABLE ENERGY FACILITIES, OR MAY RECOMMEND THAT SUCH
5 PROPERTY SHOULD BE SOLD OR IS SUITABLE FOR OTHER PURPOSES.

6 (b) IN DETERMINING THE SUITABILITY OF PROPERTY UNDER
7 SUBSECTION (4)(a) OF THIS SECTION, THE DEPARTMENT MAY CONSULT
8 WITH AND SEEK INPUT FROM:

- 9 (I) THE STATE ARCHITECT, OR THEIR DESIGNEE;
- 10 (II) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL
11 AFFAIRS, OR THEIR DESIGNEE;
- 12 (III) ANY RELEVANT POLITICAL SUBDIVISIONS OF THE STATE;
- 13 (IV) ANY ADDITIONAL RENEWABLE ENERGY FACILITY EXPERTS;
- 14 (V) ANY ADDITIONAL CHILD CARE AND MENTAL AND BEHAVIORAL
15 HEALTH CARE EXPERTS; AND
- 16 (VI) ANY ADDITIONAL AFFORDABLE HOUSING EXPERTS.

17 (c) NOTWITHSTANDING ANY SECTION TO THE CONTRARY, THE
18 DEPARTMENT MAY SEEK PROPOSALS FROM QUALIFIED DEVELOPERS TO
19 CONSTRUCT AFFORDABLE HOUSING, CHILD CARE FACILITIES, OR
20 RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE FACILITIES, OR TO
21 PLACE RENEWABLE ENERGY FACILITIES ON UNUSED STATE-OWNED REAL
22 PROPERTY THAT THE DEPARTMENT HAS DEEMED SUITABLE UNDER
23 SUBSECTION (4)(a) OF THIS SECTION. PROPOSALS MUST BE SOUGHT IN
24 ACCORDANCE WITH THE "PROCUREMENT CODE", ARTICLES 101 TO 112 OF
25 THIS TITLE 24.

26 (d) THE DEPARTMENT MAY ENTER INTO CONTRACTS WITH
27 QUALIFIED DEVELOPERS FOR PROPOSALS TO CONSTRUCT AFFORDABLE

1 HOUSING, CHILD CARE FACILITIES, OR RESIDENTIAL MENTAL AND
2 BEHAVIORAL HEALTH CARE FACILITIES, OR TO PLACE RENEWABLE ENERGY
3 FACILITIES ON UNUSED STATE-OWNED REAL PROPERTY THAT THE
4 DEPARTMENT HAS DEEMED SUITABLE UNDER SUBSECTION (4)(a) OF THIS
5 SECTION, SUBJECT TO AVAILABLE APPROPRIATIONS. BUDGET REQUESTS
6 UNDER THIS SECTION MUST BE MADE THROUGH THE PROCESS ESTABLISHED
7 IN SECTION 24-37-304 (1)(c.3); EXCEPT THAT, BUDGET REQUESTS UNDER
8 THIS SECTION MAY NOT BE MADE THROUGH A REQUEST FOR A
9 SUPPLEMENTAL APPROPRIATION. NOTWITHSTANDING SECTION 24-82-102
10 (2)(a), CONTRACTS BETWEEN THE STATE AND QUALIFIED DEVELOPERS MAY
11 NOT REQUIRE IMPROVEMENTS CONSTRUCTED ON STATE PROPERTY FOR THE
12 PURPOSES OF THIS SECTION TO BECOME THE PROPERTY OF THE STATE UPON
13 TERMINATION OF A LEASE FOR SUCH PROPERTY.

14 (e) IN THE EVENT THE DEPARTMENT PLANS TO ENTER INTO A
15 CONTRACT REGARDING ANY UNUSED STATE-OWNED REAL PROPERTY AS
16 AUTHORIZED BY THIS SECTION, OR IN THE EVENT THE DEPARTMENT ENTERS
17 INTO A LEASE OF UNUSED STATE-OWNED REAL PROPERTY AS ALLOWED
18 UNDER SECTION 24-82-102 (2)(a), THE DEPARTMENT SHALL FIRST SUBMIT
19 A REPORT TO THE CAPITAL DEVELOPMENT COMMITTEE THAT OUTLINES THE
20 ANTICIPATED USE OF THE PROPERTY. THE CAPITAL DEVELOPMENT
21 COMMITTEE SHALL REVIEW THE REPORTS SUBMITTED BY THE
22 DEPARTMENT, MAKE RECOMMENDATIONS TO THE DEPARTMENT
23 CONCERNING THE ANTICIPATED USE OF THE UNUSED STATE-OWNED REAL
24 PROPERTY, AND APPROVE OR DISAPPROVE THE ANTICIPATED USE OF THE
25 UNUSED STATE-OWNED REAL PROPERTY. THE DEPARTMENT SHALL NOT
26 ENTER INTO A CONTRACT REGARDING UNUSED STATE-OWNED REAL
27 PROPERTY OR LEASE UNUSED STATE-OWNED REAL PROPERTY WITHOUT THE

1 APPROVAL OF THE CAPITAL DEVELOPMENT COMMITTEE.

2 (5) (a) THE UNUSED STATE-OWNED REAL PROPERTY FUND IS
3 HEREBY CREATED IN THE STATE TREASURY. UNLESS OTHERWISE
4 DIRECTED, THE STATE TREASURER SHALL CREDIT ALL PROCEEDS FROM THE
5 SALE, RENT, OR LEASE, INCLUDING ANY LEASES ENTERED INTO UNDER
6 SECTION 24-82-102 (2)(a), OF UNUSED STATE-OWNED REAL PROPERTY TO
7 THE FUND. THE FUND ALSO CONSISTS OF ANY OTHER MONEY THAT THE
8 GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.

9 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
10 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
11 UNUSED STATE-OWNED REAL PROPERTY FUND TO THE FUND. ANY
12 UNEXPENDED AND UNENCUMBERED MONEY IN THE FUND AT THE END OF
13 A FISCAL YEAR REMAINS IN THE FUND. SUBJECT TO ANNUAL
14 APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT MAY
15 EXPEND MONEY FROM THE FUND FOR THE PURPOSES SET FORTH IN THIS
16 SECTION, INCLUDING FOR APPRAISALS, SURVEYS, AND PROPERTY
17 IMPROVEMENT, AND FOR ANY OPERATIONAL COSTS TO ADMINISTER THIS
18 SECTION.

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

21 **24-30-1303.8. Governor's mansion maintenance fund -**
22 **creation - report.** (1) (a) The governor's mansion maintenance fund,
23 referred to in this section as the "fund", is hereby created in the state
24 treasury. The fund consists of money earned from the operation of the
25 governor's mansion, such as rental fees, AND ANY PROCEEDS FROM THE
26 LEASE OF THE PARKING LOT ASSOCIATED WITH THE GOVERNOR'S MANSION
27 PROPERTY, which money is credited to the fund by the state treasurer, and

1 any other money that the general assembly may appropriate or transfer to
2 the fund. ~~except that the fund balance may not exceed five hundred~~
3 ~~thousand dollars at the close of any fiscal year.~~ The state treasurer shall
4 credit all interest and income derived from the deposit and investment of
5 money in the fund to the fund. Subject to annual appropriation by the
6 general assembly, the governor's office may expend money from the fund
7 for any operating costs for any governor's mansion activities and the
8 department may expend money from the fund for controlled maintenance
9 of the governor's mansion; except that the capital development committee
10 shall review any appropriation requests for controlled maintenance and
11 shall forward its recommendations to the joint budget committee.

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

14 **43-1-210. Acquisition and disposition of property -**
15 **department of transportation renovation fund.** (5) (a) (IV) (A) If the
16 abutting owner or underlying fee owner refuses to exercise the first right
17 of refusal to purchase or exchange the property or interest therein under
18 ~~subparagraph (III) of this paragraph (a)~~ SUBSECTION (5)(a)(III) OF THIS
19 SECTION or if the department determines that such property or interest is
20 of use to more than one owner or potential owner, any political
21 subdivision of this state including but not limited to any state agency, city
22 or town, or county located within the boundaries of the property or
23 interest therein shall have first right of refusal to purchase or exchange
24 such property or interest at the fair market value. DURING THE FIRST
25 RIGHT OF REFUSAL PERIOD, THE DEPARTMENT OF PERSONNEL, AS PART OF
26 THE PROCESS DESCRIBED IN SECTION 24-82-102.5 (4)(a), MAY DETERMINE
27 THAT THE PROPERTY BEING OFFERED FOR SALE BY THE DEPARTMENT OF

1 TRANSPORTATION COULD BE USED FOR AFFORDABLE HOUSING, CHILD
2 CARE, OR PLACEMENT OF RENEWABLE ENERGY FACILITIES, IN WHICH CASE
3 THEIR RIGHT OF FIRST REFUSAL SUPERSEDES THE RIGHT OF ANY OTHER
4 POLITICAL SUBDIVISION OF THE STATE.

5 **SECTION 4. Act subject to petition - effective date.** This act
6 takes effect at 12:01 a.m. on the day following the expiration of the
7 ninety-day period after final adjournment of the general assembly; except
8 that, if a referendum petition is filed pursuant to section 1 (3) of article V
9 of the state constitution against this act or an item, section, or part of this
10 act within such period, then the act, item, section, or part will not take
11 effect unless approved by the people at the general election to be held in
12 November 2022 and, in such case, will take effect on the date of the
13 official declaration of the vote thereon by the governor.