

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Jon Catlett, JBC Staff (303-866-4386)
DATE December 7, 2023
SUBJECT Department of Revenue, R2 – Space Planning

R2 DEPARTMENT OF REVENUE SPACE PLANNING: The request includes \$365,000 General Fund in FY 2024-25, annualizing to \$365,000 General Fund and a reduction of \$210,742 cash funds in FY 2025-26. The shift to a hybrid work environment has changed the needs of the Department's workspace, and the Department states that reconfiguring existing space is financially and logistically challenging due to the age of the Pierce building. This operational request was submitted in tandem with a capital request being reviewed by the Capital Development Committee and is contingent upon its approval. Components of this request include:

- 1 Co-locate with CDOT at their Denver facility (2829 W. Howard Pl.) in early 2025. Have an entire floor (35,000 square feet) dedicated to DOR in-office and hoteling work. Divisions would include DMV, Taxation, and EDO.
- 2 Vacate 1881 Pierce St. entirely by June 2025.
- 3 Co-locate on the Auraria Higher Education Campus (AHEC), moving into a parking garage/retail store front (11,800 square feet) that has been vacant for more than six years. This space would offer a central location in Denver to serve as the Regional Service Center (RSC) for the Driver License Office, Tax Services, Cashiers Office and Mail Services by June 2025. This location is in the heart of Denver, close to multiple public transportation options, which will provide easier access to more citizens needing in-person DMV services.
- 4 The DMV's Vehicle Services and Driver Services sections, which are currently located at Pierce, would move to the largest driver license office location at 3265 S. Wadsworth, Lakewood. There is sufficient underutilized space in this office to accommodate the additional services without disruption of service levels.
- 5 Relocate the Colorado Lottery, their claims office, Automatic Drawings Machine and back-office to DOR's Cole Blvd. office location to capitalize on underutilized office space at that location.

According to the Department these moves would provide greater access for customers needing DMV or Tax services in Denver, providing multiple public transit options and central access to highways. The new RSC on the AHEC campus will allow for higher education partnerships with divisions and work training programs. Additionally, the Department states it would provide better utilization of state dollars, avoiding a \$3.6 million spend on a parking lot for an underutilized building, and allow DPA to re-purpose the Pierce along with adjacent state land for more optimal use.