

CHAPTER 205

GOVERNMENT - STATE

HOUSE BILL 93-1048

BY REPRESENTATIVES Tucker, Chlouber, and Reeves;
also SENATORS Norton, Johnson, and Wham.

AN ACT

CONCERNING THE AUTHORITY OF THE DEPARTMENT OF HEALTH TO ENTER INTO A LEASE AGREEMENT WITH A PURCHASE OPTION EXERCISABLE BY THE BOARD OF REGENTS CONCERNING PROPERTY NOW USED BY THE DEPARTMENT AS LABORATORY FACILITIES, AND, IN CONNECTION THEREWITH, AUTHORIZING THE DEPARTMENT OF HEALTH TO ACQUIRE REPLACEMENT LABORATORY FACILITIES.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Definitions. As used in this act, unless the context otherwise requires:

(1) "Department" means the department of health created by section 25-1-102, Colorado Revised Statutes.

(2) "Regents" means the regents of the university of Colorado for the use and benefit of the university of Colorado health sciences center.

SECTION 2. Lease with an option to purchase authorized - authorization to convey and acquire. (1) (a) The executive director of the department of health as lessor-seller is authorized to enter into a lease with option to purchase all improvements to the property located at 4210 East Eleventh avenue, Denver, Colorado, and all leasehold interests in such property with the regents of the university of Colorado, a body corporate, as lessee-purchaser.

(b) The lease with option to purchase shall contain a purchase option exercisable by the regents to purchase all right, claim, and title to all improvements thereon and to all leasehold interests in such property for a total purchase price of two million

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

dollars. In the event the regents exercise such option, the purchase price shall be payable as follows:

(I) An earnest money down payment in the amount of one hundred seventy thousand dollars shall be paid within one hundred fifty days from the effective date of an appropriation made by the general assembly in an amount sufficient to construct a department of health laboratory to be constructed on real property purchased pursuant to section 5 of this act;

(II) Six hundred eighty thousand dollars shall be paid upon the attestation of the state controller that such appropriated funds are available to the department for construction of the laboratory;

(III) One million one hundred fifty thousand dollars shall be paid by closing. Such amount shall be adjusted for lease payments at the per annum rate of three dollars per square foot which have accrued between the date of the earnest money down payment specified in subparagraph (I) of this paragraph (b) and closing. Such adjustment shall be made under the terms of the existing lease. The purchase option shall also provide that closing shall occur after the department has vacated the premises.

(c) The department shall remit all moneys received pursuant to subparagraphs (I) and (II) of paragraph (b) of this subsection (1) to the state treasurer within ten days from the receipt of such moneys.

(d) The lease with option to purchase may contain such additional terms, provisions, and conditions as may be negotiated between the parties provided that no such term, provision, or condition conflicts with the provisions of this section 2.

(2) The regents, with the approval of the Colorado commission of higher education, are authorized to exercise the option to purchase all improvements to the property located at 4210 East Eleventh avenue, Denver, Colorado, and all leasehold interests in such property. In the event such option is exercised:

(a) The department is authorized and is directed to convey to the regents all right, claim, and title to all improvements thereon and to all leasehold interests in such property currently held by the department, in accordance with the terms of the purchase option; and

(b) The regents are authorized and are directed to acquire and accept all right, claim, and title to all improvements thereon and to all leasehold interests in such property currently held by the department, in accordance with the terms of the purchase option.

SECTION 3. Procedures for conveyance and acquisition. In the event the regents elect to exercise the option to purchase, the executive director of the department and the regents are authorized to execute, and shall execute, an appropriate instrument or instruments of conveyance and acquisition for all improvements to the property located at 4210 East Eleventh avenue, Denver, Colorado, and to all leasehold interests in such property currently held by the department.

SECTION 4. Ancillary agreements in connection with property transaction.

The executive director of the department and the regents are authorized to enter into such ancillary agreements or instruments as may be necessary to accomplish the conveyance and acquisition of all improvements to the property located at 4210 East Eleventh avenue, Denver, Colorado, and to all leasehold interests in such property currently held by the department.

SECTION 5. Acquisition of laboratory site authorized. If the regents exercise the option to purchase as authorized by section 2 of this act, then the department of health is hereby authorized to acquire fee title interest in real property suitable for the construction of a laboratory facility. The total cost of such property shall not exceed eight hundred fifty thousand dollars.

SECTION 6. Loan authorized. In the event the regents exercise the option to purchase as authorized by section 2 of this act, the state treasurer may lend one million one hundred fifty thousand dollars for a period not to exceed six months to the department of health for the purpose of purchasing laboratory equipment. Any such loan shall be made available during the construction phase of the department of health laboratory facility out of any moneys in the state treasury not immediately required to be disbursed and shall bear interest at the earnings rate calculated monthly by the state treasurer.

SECTION 7. Approval of general assembly required. The department of health shall not acquire fee title interest in real property for the construction of a laboratory facility nor commence such construction without the prior approval of the general assembly.

SECTION 8. Repeal. This act is repealed, effective July 1, 1997.

SECTION 9. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 28, 1993