



Legislative Council Staff

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Memorandum

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July 17, 2018

TO: Capital Development Committee

FROM: Kori Donaldson, Principal Research Analyst, 303-866-4976

SUBJECT: Adams County Youth Services Center Property Acquisition

Summary

This memorandum summarizes a request from the Department of Human Services (DHS) to acquire a 15-acre parcel of land from Adams County for the construction of a new youth services center in the 17th Judicial District.

DHS Acquisition

DHS plans to acquire property from Adams County to construct a new, 40-bed, 38,577-square-foot youth detention facility. State funding for construction of the new facility totaling \$20.5 million was approved through the 2016, 2017, and 2018 Long Bills. The new facility will add capacity to address the demand for beds in the 17th Judicial District and add programming for the high-needs and diverse population housed in the facility. The facility will replace the existing, 30-bed, 13,788-square-foot Adams County Youth Services Center (YSC).

The new facility will be sited on 15 acres in Brighton in the Bromley Park Planned Unit Development. Traditionally, counties provide sites for youth correction detention facilities. Adams County purchased the site on June 22, 2018. After the new facility is built, the land where the existing Adams YSC is sited will transfer back to Adams County in accordance with the terms of the original deed transferring ownership to the state. The department plans to acquire the new site from the county for a nominal fee once an environmental study of the site is completed.

Statutory requirements. Pursuant to state law, with the approval of the Governor, the executive director of the Department of Personnel and Administration may acquire, in fee simple title, real property on behalf of the state for present or future use by the state.¹ Prior to acquiring the property, the executive director must submit a report to the Capital Development Committee (CDC) outlining the anticipated use of the property, maintenance costs related to the property, the property's current

¹ Section 24-82-102 (1), C.R.S.

value, any conditions or limitations that may restrict the property's use, and any potential liability to the state that might result from the property's acquisition.

DHS is submitting this acquisition for review under its own authority. There is no clear statutory direction with regard to property acquisitions within DHS, so the department submitted the attached letter in the spirit of the statute guiding Department of Personnel and Administration acquisitions.

Land acquisition details. The proposed purchase price for the property is nominal and will likely only include the cost of the filing fees. DHS says there are no additional maintenance costs associated with acquiring the property. The department indicated in its FY 2018-19 capital construction budget request that it plans to submit a FY 2019-20 decision item to the Joint Budget Committee to address operating cost increases. The department explains that there are easements associated with portions of the property, but they are not anticipated to affect the use of the property for a YSC. Finally, the department says that the Office of the State Architect is requiring that an environmental study be conducted before it finalizes the purchase. DHS notes that a clean environmental study was completed about 10 years ago, so it does not anticipate any delays associated with the findings of a new study.

Potential CDC action. Recommend support for the acquisition, in fee simple title, by DHS of 15 acres of land in Brighton from Adams County for the construction and operation of a new youth services center.



COLORADO
Department of Human Services

July 11, 2018

Senator John Cooke, Chair
Capital Development Committee
200 East Colfax Ave.
Denver, CO 80203

Re: Land Acquisition for the Development of Adams Youth Services Center - Replacement

Dear Senator Cooke:

The Colorado Department of Human Services (CDHS) was funded in FY2016-17 and FY2017-18 for the planning and construction of a new 40-bed youth services facility in the 17th judicial district. CDHS has actively pursued the acquisition of a site suitable for the construction of the Adams Youth Services Center Replacement (AYSC-R) facility. CDHS has worked jointly with Adams County to identify a parcel suitable for the facility.

Adams County, consistent with historical practice, has purchased a parcel and plans to transfer it to CDHS for nominal consideration through an Intergovernmental Agreement. The site is an approximately 15-acre parcel located in Brighton Colorado, in the Bromley Park Planned Unit Development (PUD).

The acquisition of the site by Adams County was complex due to multiple factors including Adams County's desire to ensure CDHS had funding for the construction of the facility as well as the need to acquire variances and negotiate existing easements across parts of the property. The complexity of the transaction resulted in a longer than anticipated amount of time for Adams County to acquire title. Nevertheless, Adams County closed on the purchase of the property on June 22, 2018.

CDHS is currently in the process of completing a phase 1 environmental study as requested by the Office of the State Architect and anticipates completion at or near the end of July 2018. Adams County purchased the vacant property on reliance of a clean phase 1 environmental study completed approximately 10 years ago. CDHS will complete the purchase once all the necessary steps regarding the environmental study have been completed.

CDHS presents this anticipated acquisition of land for the development of the AYSC-R to the CDC for consideration and approval in the spirit of the requirements of § 24-82-102(1)(a), CRS. As noted above, CDHS will acquire title to the property for nominal consideration. The use of the property will be for Youth Services Center operated by the Division of Youth Services within CDHS. CDHS does not anticipate any immediate maintenance costs associated with the land. Maintenance costs will be part of the normal operation of the AYSC-R facility that is already funded for construction and operation. There are easements associated with portions of the property but they will not impact its use as a Youth Services Center. In addition, CDHS and Adams County have agreed to specific language regarding the property reverting back to Adams County in the event the AYSC-R facility is not constructed. CDHS does not anticipate any potential liability not normally associated with property of this type.

If you require further information or have additional questions, please contact Sarah Wager, Interim Director of the Office of Administrative Solutions at 303-866-2636.

Respectfully,

Tony Gherardini
Deputy Executive Director of Operations

