# CHAPTER 11. STATUTORY AUTHORITY

Colorado Revised Statutes (C.R.S.) allow each agency and educational institution, through its executive director or president, to direct the planning and management of real estate use and construction. Oversight of these processes initially occurs with program plans submitted to either the Governor's Office of State Planning and Budget (OSPB) for all executive branch agencies and by the Colorado Commission on Higher Education (CCHE) for all institutions of higher education. These plans are then presented to the Capital Development Committee (CDC) of the Colorado General Assembly (GA) and the recommendations of the CDC are made to the Joint Budget Committee (JBC). In addition, separate permission must be obtained from the CDC when real property is acquired or disposed.

# **Executive Branch Agency Authorization**

C.R.S. § 24-1-136.5 grants each executive director the following authority:

- (1) Prescribe uniform policies procedures and standards of space utilization in department facilities with the statutory exception [C.R.S. § 24-30-1303(1)(h)] of standards of space utilization for office space. Further, executive directors have the authority for the development and approval of department construction projects. However, the Office of the State Architect (OSA) has the authority to prescribe uniform standards for office space.
- (2) Review and approve master planning and facilities plan programming for all capital construction projects of the department on state-owned or state-controlled (e.g., long-term, 50 yr. lease) land. However, no capital construction shall commence except in accordance with an approved plan.
- (3) Ensure conformity of facilities master planning with approved department operational master plans.
- (4) Exempt any project which requires less than \$250,000 of state moneys from the requirements for master planning and program planning.
- (5) Request from division directors a five (5) year projection of capital development projects including estimated costs. The executive director shall determine whether a proposed project is consistent with operational master planning and facilities planning of the department and whether it conforms to space utilization standards pursuant to §24-1-136.5(1) as noted above and §24-30-1303(1)(h)
- (6) (a) To annually establish a five-year capital improvements plan coordinated with department operational master plans and facilities plans and transmit same to OSPB with a recommended priority of funding capital construction projects; (b) GA will only appropriate funds for projects approved by executive director.
- (7) Approve any acquisition or utilization of real property conditioned upon expenditure of state-controlled funds or federal funds regardless of whether the acquisition is by lease, lease-purchase, purchase, gift or other and is subject to the approval of the Executive Director of the Department of Personnel & Administration (DPA) and the (OSA).
- (8) Seek approval for facilities master and program plans for any capital construction project to be constructed, operated and maintained from the CDC and the JBC.

# Higher Education Authorization

CCHE fulfills the function for the institutions of higher learning that OSPB fulfills as hereinbefore discussed for the executive branch agencies. Upon approval by CCHE of the program plans, OSPB is consulted for coordination with the Governor's office. CCHE presents the plans to the CDC. For leases the CCHE Leasing Policy also applies. (See Appendix.)

# CHAPTER 11. STATUTORY AUTHORITY

# Specific DPA Authority

C.R.S. § 24-82-101 grants DPA the control of the Capitol and Legislative Services Building and grounds and any other property the state may acquire adjacent thereto including supervision of the maintenance for the State Capitol Buildings Group, and [C.R.S. § 2-2-321] space for the legislature and [C.R.S. § 24-82-101] State Capitol preservation. The Capitol Complex Section of Central Services Division operates under this statute.

C.R.S. § 24-82-102(1) grants DPA, through the Executive Director the following authority:

- (a) Acquire interests in real property for present or future use by the State. Such acquisition must be approved by recommendation of the CDC.
- (b) Lease purchase agreements require a GA act. [See C.R.S. § 24-82-701 & C.R.S. § 24-82-801]

C.R.S. § 24-82-102(2)(a) With approval of Governor, may lease surplus state owned property to non-state lessees and with GA authorization, may allow a lessee to construct improvements that will be suitable for State use upon lease termination.

C.R.S. § 24-82-103

- (1) Subject to appropriation, acquire land for off-street parking and construct parking facilities
- (2) Develop and implement parking assignment plan with rates comparable to private lots. Car pools are given preferential treatment and rates.

C.R.S. § 24-82-702 Executive Director may execute a lease-purchase agreement and master lease program for real property.

# Office of the State Architect

By virtue of the following statutes, the Real Estate Program within the OSA accomplishes the following with regard to real estate management:

C.R.S. § 24-30-1303(1)

- a. Negotiate and execute leases with private lessors and state owned lands
- b. Negotiate and approve easements and rights-of-way
- h. Develop office space occupancy standards

C.R.S. § 24-30-1303.5

- (1) Maintain an inventory of all state-owned lands and buildings except for CDOT and State Land Board (SLB). Maintain an inventory of all leases except SLB land leases. Correct any defects in order to vest marketable title in the state.
- (3) Establish procedure whereby each state agency and state institution of higher education is required to report all acquisitions and dispositions of real property to aid in accurate maintenance of inventory.
- (5.5) Develop a performance criteria standard for state real property and perform an analysis upon selected real property to assess whether to sell or otherwise dispose of such property and make recommendations to the CDC regarding various real property management strategies resulting from such analysis.
- (6) Prepare and provide an annual report of acquisitions and dispositions to the CDC

# CHAPTER 11. STATUTORY AUTHORITY

# General Statutes Applicable to All Agencies

#### C.R.S. § 24-30-1301(2)(a)(b)

Capital Construction means: Purchase of land . . . buildings . . .

# C.R.S. § 24-30-1303 (1)(d)

The department (of personnel) shall: supervise and be responsible for the expenditure of funds appropriated by the general assembly for capital construction projects . . . at the institutions and agencies of the state.

#### C.R.S. § 24-30-1303.5 (3)

... each state agency and state institution of higher education is required to report all acquisitions ... and all dispositions to the Department (of Personnel).

#### C.R.S. § 24-30-1303.5 (4)

... no acquisition or disposition of real property may be made and no funds or other valuable consideration may be given by a state agency or state institution of higher education for such acquisition, nor may any final document of conveyance of state property be transmitted to a purchaser, until a complete report on such transaction ... has been filed with (personnel) and (personnel) has issued a written acknowledgment of the receipt of such report to the agency or institution of higher education ... nothing in this section shall be construed to give (personnel) any power to approve or disapprove any acquisition or disposition of real property.

#### C.R.S. § 24-75-303 (2)

No appropriation for capital construction shall be made to or expended by any state agency or state institution of higher education that has not complied with the requirements of C.R.S. § 24-30-1303.5, with respect to preparation and maintenance of a state inventory of real property.

#### C.R.S. § 24-30-202 (5)(b)

Before any state department, institution, or agency enters into a contract to purchase real property . . . that has a total purchase price of more than one hundred thousand dollars, such department . . . the contract must contain a contingency clause that requires the state to secure an appraisal of the subject real property or interest therein prior to closing by an independent appraiser licensed in the state of Colorado to substantiate the purchase price and that makes the closing purchase contingent on the approval of the contract by the state controller. . . the state department, institution, or agency shall provide a copy of the appraisal to the state controller.

# C.R.S. § 24-1-136.5 (7)

Any acquisition or utilization of real property by a department that is conditional upon or requires expenditures of state funds or federal funds is subject to the approval of the executive director and the office of the state architect, regardless of whether the acquisition is by lease, lease-purchase, purchase, gift, or otherwise.

# CHAPTER 11. STATUTORY AUTHORITY

# AGENCY SPECIFIC REAL ESTATE STATUTES

## Agriculture

#### C.R.S. § 35-3-107 (3)

The department has the authority to obtain, by lease or purchase, such equipment, office accommodations, facilities . . . as it determines to be necessary or proper to carry out the provisions of this article.

## Corrections

# C.R.S. § 17-24-106 (1)(k)(l)

... the Division (of Correctional Industries) shall have the following powers: To purchase, lease, trade, exchange, or other-wise acquire, maintain, & dispose of real property and any interest therein pursuant to law.

#### Human Services

#### C.R.S. § 26-12-112

- (1) The state department may, . . .(d) receive gifts, legacies, devises, and conveyances of property, real or personal, that may be made, given, transferred pursuant to a purchase and sale, or granted to the state department for veteran's centers. The state department, with the approval of the Governor, shall make disposition of such property in the best interest of the state veterans centers under the control and supervision of the state department.
- (2) All titles to real property and all improvements thereon shall be vested in the state, and the title deeds thereto and all insurance policies, certificates of water rights, and other evidences of ownership to the real property or improvements of a veteran's center shall be deposited with the state department.
- (3) No payment shall be made out of the state treasury or otherwise for any real property described in this section until the title has been examined and approved by the attorney general. Every such deed of conveyance shall be immediately recorded in the office of the proper county clerk and recorder and thereafter deposited with the state department.

# C.R.S. § 26-12-204

- (1) The executive director, with the approval of the state board, shall sell any real property at the veterans' center declared to be surplus by the state board to the highest bidder on such terms and conditions as are deemed appropriate by the executive director for not less than the appraised value thereof, as determined by an appraiser who is a member of the members' appraisal institute (MAI), and to execute deeds of conveyance of such real property.
- (2) Upon the sale of real property pursuant to subsection (1) of this section, the proceeds shall be deposited in the central fund and applied toward the retirement of any outstanding anticipation warrants.

# Military Affairs

# C.R.S. § 28-3-106 (1)(s)(I)

If ... any real estate which has been acquired for military purposes is unsuitable for military purposes the adjutant general ... with the approval of the governor ... has authority to sell, trade, or otherwise dispose of such real estate, but, except as otherwise provided by subparagraph (II), of this paragraph (s), such real estate shall not be disposed of for less than its appraised value. The appraised value for such real estate shall be determined by an appraiser ... selected by the

# CHAPTER 11. STATUTORY AUTHORITY

governor [and] . . . the proceeds of such disposition shall be placed in an account. . . . Said proceeds and any interest thereon shall be disbursed by authority of the adjutant general. . . . Prior to disposing of any real property . . . the adjutant general shall submit a report to the Capital Development Committee . . . (and) shall not complete any . . . disposition without considering any recommendations of the Capital Development Committee which are provided within such thirty-day period.

(II) The adjutant general may dispose of real estate acquired but unsuitable for military purposes for less than its appraised value when the disposition is to an agency of state government.

# Department of Natural Resources Parks and Wildlife

C.R.S. § 33-1-105

(1) The (parks and wildlife) commission has power to: (a)(I) Acquire by gift, transfer, devise, lease, purchase, or long-term operating agreement, such land and water, or interest in land and water . . . may be necessary, suitable. . .. Whenever the commission purchases any fee title interest in land or water as authorized by this section, it shall follow the procedures established in section C.R.S. § 33-1-105.5.

(b) Lease, exchange, or sell any property, water, land, or interest in land or water . . .. which now are or may become surplus. . .. All sales of property, water, or lands shall be at public sale, and the commission has the right to reject any or all bids.

(3) (a) In the event the commission plans to acquire the fee title to any real property or to acquire on easement for a period to exceed twenty-five years or at a cost to exceed one hundred thousand dollars . . . or to sell or otherwise dispose of the fee title to any real property that has a market value in excess of one hundred thousand dollars, after the commission has completed the transaction, the commission shall submit a report to the capital development committee that outlines the anticipated use of the real property, the maintenance costs . . . the current value . . . any conditions or limitation . . . and . . . the potential liability of the state. . . . The Capital Development Committee shall . . . make recommendations. . . . The commission shall not complete the transaction without considering the recommendations of the capital development committee, if the recommendations are made in a timely manner.

#### C.R.S. § 33-1-105.5

- (1) Except as provided in subsection (7) of this section, before the commission purchases any fee title interest in real property or any interest in water pursuant to 33-1-105 (1)(a), it shall solicit bid proposals from all interested parties through the issuance of a request for proposals.
- (7) The commission may decide not to use the bid process established in this section when the property or interest in water being purchased is located in proximity to other property controlled by the division . . . or when the property or interest in water to be purchased is offered through foreclosure, receivership, or auction, or when the property or interest in water is to be purchased from another government entity. In the event the bid process is not used, the purchase of any fee title interest in real property shall be approved by the general assembly acting by bill.

# C.R.S. § 33-10-107

(1)(a) The commission (of parks and wildlife) has power to:

(a) Acquire by gift, transfer, lease, purchase, or long term operating agreement such land and water, or interests in land or water, as the director, with the approval of the executive director, deems necessary, suitable, or proper for parks and outdoor recreation purposes or for the preservation of conservation of sites, scenes, open space, and vistas of public interest.

# **CHAPTER 11. STATUTORY AUTHORITY**

(b) Lease, exchange, or sell any property, water rights, land, or interest in land or water rights, including oil, gas, and other organic and inorganic substances which now are or may become surplus . . . All sales of property, water rights, or lands shall be at public sale, and the commission has the right to reject any or all bids.

(2) In the event the commission plans to acquire the fee title to any real property at a cost to exceed one hundred thousand dollars or to acquire an easement for a period to exceed twenty-five years or at a cost to exceed one hundred thousand dollars . . . or to sell or otherwise dispose of such property, after the commission has approved of the transaction but before it has completed the transaction, the commission shall submit a report to the capital development committee which outlines the anticipated use of the real property, the maintenance costs related to the property, and, in the event real property is acquired, the potential liability to the state that will result from the acquisition. The Capital Development Committee shall review the reports submitted by the commission and make recommendations to the commission concerning the proposed land transaction within thirty days from the day on which the report is received. The commission shall not complete the transaction without considering the recommendations. . ...

# Personnel (DPA)

# C.R.S. § 24-82-102(1)(a)

On behalf of the state of Colorado and with the approval of the governor, the executive director of the department of personnel is authorized to acquire fee simple title, or any lesser interest therein, to any real property for present or future use by the state. Title to such property may be acquired by purchase, donation, or lease-purchase agreements or by the exercise of the power of eminent domain through condemnation proceedings in accordance with law from funds appropriated by the general assembly or from funds donated to the state for the purpose. In the event that the executive director plans to acquire any real property by any of the means authorized by this paragraph (a), except for easements or rights-of-way, or to sell or otherwise dispose of such property, the executive director shall first submit a report to the capital development committee which outlines the anticipated use of the real property, the maintenance costs related to the property, the current value of the property, any conditions or limitations which may restrict the use of the property, and, in the event real property is acquired, the potential liability to the state which will result from such acquisition. The capital development committee shall review the reports submitted by the executive director and make recommendations to the executive director concerning the disposition of the real property. The executive director shall not acquire, sell, or otherwise dispose of any real property without considering the recommendations of the capital development committee.

# C.R.S. § 24-82-101

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The department of personnel (a) shall have control of the legislative spaces in the capitol, the legislative services building, and the state office building at 1525 Sherman street, and the grounds adjacent to the capitol within the area bounded on the north by east Colfax avenue, on the west by Lincoln street, on the south by Fourteenth avenue, and on the east by Grant street, as shown on the official maps of the city and county of Denver. . ..

# CHAPTER 11. STATUTORY AUTHORITY

### C.R.S. § 24-37.5-502(4.5)

The chief information officer is authorized, subject to the budget request requirements set forth in sections 2-3-208 and 24-37-304(1)(c.3) and subject to appropriation by the general assembly, to purchase or lease any real estate, buildings, and property necessary to the operation or development of the telecommunications network, and to use any available facilities and telecommunications equipment of any state agency or institution, and, if necessary, to provide for the construction of the network.

# Office of the State Architect

#### C.R.S. § 24-30-1303(1)

The office of the state architect shall: (a) with the approval of the governor, negotiate and execute leases on behalf of state for real property needed for stat use and, as provided in section 24-82-102(2), negotiate and execute leases of real property not presently needed for state use; (b) with the approval of the governor, negotiate and approve easements and rights-of-way across non-state land on behalf of the state and, as provided in section 24-82-202, negotiate and approve easements and rights-of-way across land owned by or under the control of the state.

### Transportation

#### C.R.S. § 43-1-210

(3) The department of transportation has the authority to acquire by purchase, exchange, or condemnation rights-of-way for future needs for which rights-of-way have been identified in the current five-year highway program of projects and to lease any lands which are held for state highway purposes and are not presently needed therefore on such terms and conditions as the chief engineer, with the approval of the governor, may fix.

(5)(a)(I) The department of transportation is authorized, subject to approving resolution of the transportation commission, to dispose of any property or interest therein in the manner specified in this section which, in the opinion of the chief engineer, is no longer needed for transportation purposes.

# C.R.S. § 43-1-212

The department of transportation is authorized to enter into rental or leasehold agreements under which the department shall acquire title to such buildings within a period not exceeding thirty years upon payment of the stipulated annual rentals.

# STATUTES PERTAINING TO ALL OF HIGHER EDUCATION

## C.R.S. § 23-1-106

- (1) It is declared to be the policy of the general assembly not to authorize any activity requiring capital construction or capital renewal for state institutions of higher education unless approved by the commission (on Higher Education).
- (5) (a) The commission (on Higher Education) shall approve plans for any capital construction or capital renewal project at any state institution of higher education regardless of the source of funds; except that the commission need not approve plans for any capital construction or capital renewal project at a local district college or area technical college for any capital construction or capital renewal project described in subsection (9) of this section. (b) The commission may except from the requirements for program and physical planning any project that requires two million dollars or less if the capital construction project is for new construction and funded solely from cash funds held by the institution or the project is funded through higher education revenue bond intercept program . . ..

# CHAPTER 11. STATUTORY AUTHORITY

(9) (a) a capital construction or capital renewal project for an auxiliary facility initiated by the governing board of a state institution of higher education that is contained in the most recent two-year projection approved pursuant to subparagraph (II) of paragraph (c) of subsection (7) of this section, as the projection may be amended from time to time, and that is to be acquired or constructed and operated and maintained solely from cash funds held by the institution is not subject to additional review or approval by the commission, the office of state planning and budgeting, the capital development committee, or the joint budget committee; except that, if the capital construction or capital renewal project for an auxiliary facility is to be acquired or constructed in whole or in part using moneys subject to the higher education revenue bond intercept program established pursuant to section 23-5-139, then the governing board of a state institution of higher education must obtain approval from the general assembly as specified in that section.

# HIGHER EDUCATION INSTITUTION SPECIFIC REAL ESTATE STATUTES

# Fort Lewis College

C.R.S. § 23-52-104 (e)

The board of trustees has the power to: sell, lease, or exchange real property, as specified in C.R.S. § 23-30-102, the ownership of which is vested in the board of trustees or Fort Lewis college. The board of trustees shall report all proposed sales, leases, or exchanges of such real property adjacent to or titled in Fort Lewis college to the Colorado Commission on Higher Education, which will review and approve or disapprove the proposed transaction pursuant to C.R.S. § 23-1-106.

## Colorado School of Mines

C.R.S. § 23-41-104 (1)

The board of trustees has the control and management of the Colorado school of mines and of the property belonging thereto, subject to the laws of this state, and may make all needful bylaws and regulations for the government of said board and for the management and government of the Colorado school of mines not inconsistent with the laws of this state.

# C.R.S. § 23-41-112

All property, both real and personal, belonging to the Colorado school of mines, shall be vested in the trustees, in trust for the use and benefit of the state of Colorado.

# C.R.S. § 23-41-123

All moneys that arise from the sale of lands belonging to the Colorado school of mines, or from the leasing of lands belonging to the said school, or from interest arising on the investment of such funds are placed under the exclusive control of the board of trustees of the Colorado school of mines. The state treasurer is instructed to turn over to the board of trustees all the moneys, warrants, bonds, and other securities of any nature that have come from the sale of said lands belonging to said school.

# Institutions of Higher Education Controlled by The State Board of Agriculture

#### Colorado State University System

(Colorado State University, Colorado State University – Pueblo, and Colorado State University – Global Campus)

# C.R.S. § 23-30-102

(1) The board of governors of the Colorado state university system is a body corporate, capable in law of suing and being sued; of taking, holding, acquiring, exchanging, selling, and determining the uses of personal property and real estate, or any interest therein, the ownership of which is vested

# CHAPTER 11. STATUTORY AUTHORITY

in the board of governors of the Colorado state university system or the entities governed by it; of contracting and being contracted with; of having and using a corporate seal; having duties and powers to control, manage, and direct the fiscal and all other affairs of the Colorado state university system and the entities it governs; and of causing to be done all things necessary to carry out the provisions of this article.

- (2) The board of governors of the Colorado state university system has the power to lease personal property, the ownership of which is vested in the Colorado state university system, or on behalf of any entity governed by it, for a term not to exceed eighty years to state or federal governmental agencies and to persons or corporations, public or private.
- (2.5) Subject to such reviews and approvals of state agencies as are required by law, the board of governors of the Colorado state university system has the power to sell, lease, or exchange real property, or any interest therein, including any mineral rights, the ownership of which is vested in the board of governors of the Colorado state university system or on behalf of any entity governed by it. All moneys which arise from the sale, lease, or exchange of said real property, or any interest therein, and all funds transferred pursuant to this subsection (2.5), together with any interest arising from the investment of said moneys and funds, shall be under the exclusive control of the board of governors of the Colorado state university system. The state treasurer is instructed to turn over to the board of governors of the Colorado state university system all the moneys, warrants, bonds, and other securities of any nature, and any interest earned thereon, that have come from the sale, lease, or exchange of said real property, or any interest therein, including any mineral rights.
- (5) The leasing of real property or any interest therein held by the board of governors of the Colorado state university system under the provisions of this section shall not be deemed to be a sale of such property.
- (6) The board of governors of the Colorado state university system has the power to exchange real property or any interest therein owned by the board on behalf of any entity governed by it for lands or interests in lands which the board, in the exercise of its best judgment, believes to be in the best interests of said entity in the furtherance of its programs.
- C.R.S. § 23-31.3-107

The board of governors of the Colorado state university system has the power to take and hold, by gift, devise, or purchase, so much land as may become necessary for the location and construction of buildings, structures, and other facilities as may be required for the uses and purposes of Colorado.

# C.R.S. § 23-31.5-111

The board of governors of the Colorado state university system shall have the powers specified in section 23-30-102 regarding the sale, lease, or exchange of real property, or any interest therein, the ownership of which is vested in the board of governors of the Colorado state university system or the Colorado state university - Pueblo.

NOTE: C.R.S. § 23-30-102 and C.R.S.§ 23-31.5-111 refer to any proposed disposals of real estate being reported to the Colorado Commission on Higher Education for review, and then approval or disapproval, in accordance with C.R.S. § 23-1-106. Interestingly, C.R.S. § 23-1-106 never mentions disposals of real property, only acquisitions. Any authority of the Colorado Commission on Higher Education to review for approval or disapproval the disposal of the property must be inferred from the Commission 's general overall powers; no such authority is actually stated).

# Independently Governed Institutions of Higher Education

# Colorado Mesa University

# CHAPTER 11. STATUTORY AUTHORITY

C.R.S. § 23-53-105

The board of trustees shall also have power to take and hold, by gift, devise, or purchase or through exercise of the power of eminent domain pursuant to law, so much additional land as may become necessary for the location and construction of such additional buildings, structures, and other facilities as may be required for the uses and purposes of Colorado Mesa university from funds appropriated by the general assembly.

# Metropolitan State University Denver

NOTE: This institution is located mainly on the Auraria Center, which is controlled by the Auraria Board, pursuant to C.R.S. § 23-70-101 et seq.

# C.R.S. § 23-70-104 (1)(a)

The Auraria board has the duty: (a) To acquire, plan, construct, own, lease, operate, maintain, manage, or dispose of all of the physical plant, facilities, buildings, and grounds in the center (except that land owned at the Auraria center by the regents of the university of Colorado shall continue under such ownership but shall be maintained and managed in a similar manner to the other facilities in the Auraria center) and such additional land and facilities as the Colorado commission on higher education may from time to time designate and approve and to accept and hold for the use of the center and its constituent institutions such property as was designated or used prior to May 13, 1974, for purposes of the center or its constituent institutions;

# C.R.S. § 23-70-105 (1)(c)

The Auraria board has the power to acquire, hold, lease, or dispose of property, both real and personal.

# Institutions Governed by The State Board for Community Colleges and Occupational Education

(Arapahoe CC, CC of Aurora, CC of Denver, Colorado Northwestern CC, Front Range CC, Lamar CC, Morgan CC, Northeastern Junior College, Otero Jr. College, Pikes Peak CC, Pueblo CC, Red Rocks CC, Trinidad State Jr. College)

# C.R.S. § 23-60-202 (1)(b)

With respect to the community and technical colleges within the state system, the board has the authority, responsibility, rights, privileges, powers, and duties customarily exercised by the governing boards of institutions of higher education, including the following: (b) To construct, lease, or otherwise provide facilities needed for the community and technical colleges as authorized by the general assembly; to issue in the name of the board revenue bonds and other revenue obligations in the manner, for the purposes, and subject to the provisions provided by law for state educational institutions under article 5 of this title or for local college districts; and to refund in the name of the board revenue bonds and other revenue obligations transferred to the board or incurred by the board as provided in this article, such refunding to be undertaken pursuant to article 54 of title 11, C.R.S.