

Campus at Grand Junction  
Facilities Assessment Report  
Prepared by OZ Architecture

## **ASSESSMENT TEAM**

### **ARCHITECT**

OZ Architecture  
Steve Brooks – Principal  
Bud Thompson – Project Manager  
3003 Larimer St  
Denver Co 80205  
303-861-5704

### **Civil**

S.A. Miro  
Jason Carr, P.E.  
4582 S Ulster St #300  
Denver, CO 80237  
303-741-3737

### **Code**

C-West Code Consultants, Inc.  
Gary Nickerson  
President  
355 S Teller Street, Suite 200  
Lakewood, CO 80226  
303-205-7860

### **Cost Estimator**

Rider Levett Bucknall  
Peter Knowles  
1675 Larimer Street, Suite 470  
Denver, CO 80202  
720-904-1480

### **Mechanical and Electrical**

Cator, Ruma and Associates  
Marc Valerius  
896 Tabor Street  
Lakewood, CO 80401  
303-232-6200

### **Roof**

RoofTech Consultants  
Ron Scott  
14828 W 6th Ave  
Golden, CO 80401  
(303) 233-1092

## **APPROACH:**

The Colorado Department of Human Services (CDHS) Office of Administrative Solutions (OAS) selected OZ Architecture to conduct the assessment of the Campus at Grand Junction and buildings in late January 2014. The needs of CDHS and the associated scope of services required were discussed and finalized in early February.

A specialist team was assembled based on the requirements of the scope of the assessment, including: Cator Ruma and Associates for mechanical, electrical and plumbing issues, S. A. Miro Inc for structural and civil issues, Rooftech for roofing issues, Ryder Levett Bucknall for cost issues and C-West (hired under a separate contract) for code issues.

Pertinent existing documentation on the campus buildings, including building audit reports, drawings and capital requests were collected and reviewed in March, and a contract for services was negotiated.

Site visits by the specialists were conducted first in mid-April. The team toured the facilities to assess and photo document the conditions. Interviews were also conducted with the CDHS Campus at Grand Junction (GJC) Facilities Management staff to collect additional information. The team discussed conditions and brainstormed various future site and building options.

The local Grand Junction real estate conditions were researched and analyzed to inform the demand and feasibility of potential campus uses. Meetings were held during the month of May to discuss the options and develop a short list for further analysis.

Improvements to each building were defined to bring the facilities up to life safety requirements and costs for various upgrades to the campus and buildings were generated. During the months of June and July 2014, drafts of the assessment report were submitted for CDHS review and comment to ensure appropriate content to meet the intended purpose of the report.

## EXECUTIVE SUMMARY

The Colorado Department of Human Services Campus at Grand Junction is an approximate 45 acre campus which has had the capacity to house hundreds of intellectually and developmentally disabled clients. The current number of clients has declined to approximately thirty, because of attrition, changes in demographics and the general movement of these clients to smaller local community living settings. This change over time leaves a campus that is oversized for the current demand and although well maintained, has aged to a point where decisions need to be made about the future of the facility.

This assessment was undertaken first, to understand the existing conditions of the campus infrastructure and its individual buildings. As could be expected of buildings with an average age of sixty two years, deficiencies were found in life safety, accessibility and code compliance, security, energy efficiency and occupant comfort. Operational costs were found to be very high, (approximately 1.46 million dollars per year) in relation to the number of clients served.

The second phase of the assessment was conducted to consider the magnitude of capital costs, 1) to renovate the entire facility to correct these deficiencies, 2) to maintain the current program on site through downsizing, which will involve either renovation of a few existing buildings or new construction, or 3) to vacate the campus and lease or sell the property. Vacating the campus requires the absorption of residents into the community, other facilities or the consideration of a new "build-to-suit" option.

The renovation of existing campus and fourteen buildings to remediate the gross deficiencies could be expected to cost in the order of magnitude of over \$32 million. This would allow the campus to function with a capacity for more clients, however, this cost figure does not serve as a budget to address new programmatic requirements or contemporary design expectations for the needed quality of the facilities.

Operations and maintenance costs can be significantly reduced by consolidating the current program on site into a smaller footprint of just two or three buildings of perhaps 30,000 square feet on approximately five acres. This option would allow the central plant, some maintenance and laundry buildings to be shut down for efficiency. The cost of renovation for this option would be in the order of magnitude of over \$7 million to functionally accommodate the current program, but without introducing new standards of quality.

Alternatively, a new facility could be constructed on site for the current number of clients, also of approximately 30,000 square feet for an order of magnitude cost of over \$12 million, which would address current best practices and quality standards for this type of facility.

If the Campus at Grand Junction were to be vacated, a new offsite facility could be constructed using a custom "build-to-suit" delivery method and the capital costs of property procurement and construction could be borne by the developer and owner in a lease back arrangement.

Land values of the current industrial zone of Grand Junction range from one to three dollars per square foot, which would place the basic land value of the campus between \$1 ½ million and 5 million. Values could be

expected to go up with the realization of the proposed mixed use city master plan to the east of the property. The buildings on site may also be of some value to a future owner such as a senior care facility.

While consolidating the program campus to five acres, renovating the remaining buildings to a Class C office occupancy could also be considered. However, the Grand Junction commercial real estate market has been slow in recent years. An investment of perhaps \$26 million in the renovation of approximately 140,000 square feet could yield as much as approximately \$1 ½ million per year, if fully leased based on a market rate of \$10 per square foot.

Rough order of magnitude unit costs for renovation, new construction, lease rates and land values are included in the report as tools for the exploration of other combinations of options based on current markets. More accurate estimates would be required at a future time after an option direction and program of requirements is defined.





## **OVERVIEW**

The Colorado Department of Human Services (CDHS) Office of Administrative Solutions (OAS) engaged OZ Architecture, Inc. and a team of sub consultants to perform a site/facilities assessment of the Campus at Grand Junction (GJC). The assessment includes Architectural, Civil, Mechanical, Electrical, Roofing and Code Compliance analysis.

The assessment involved two options. The first option includes an assessment of the current conditions of the site and buildings as they exist at the time of this report, as well as an analysis of the renovations necessary to bring the facilities up to functional and life safety requirements for its continued use as an Intermediate Care Facility (ICF). The second option includes identification of alternate use options for the site and analysis of those options.

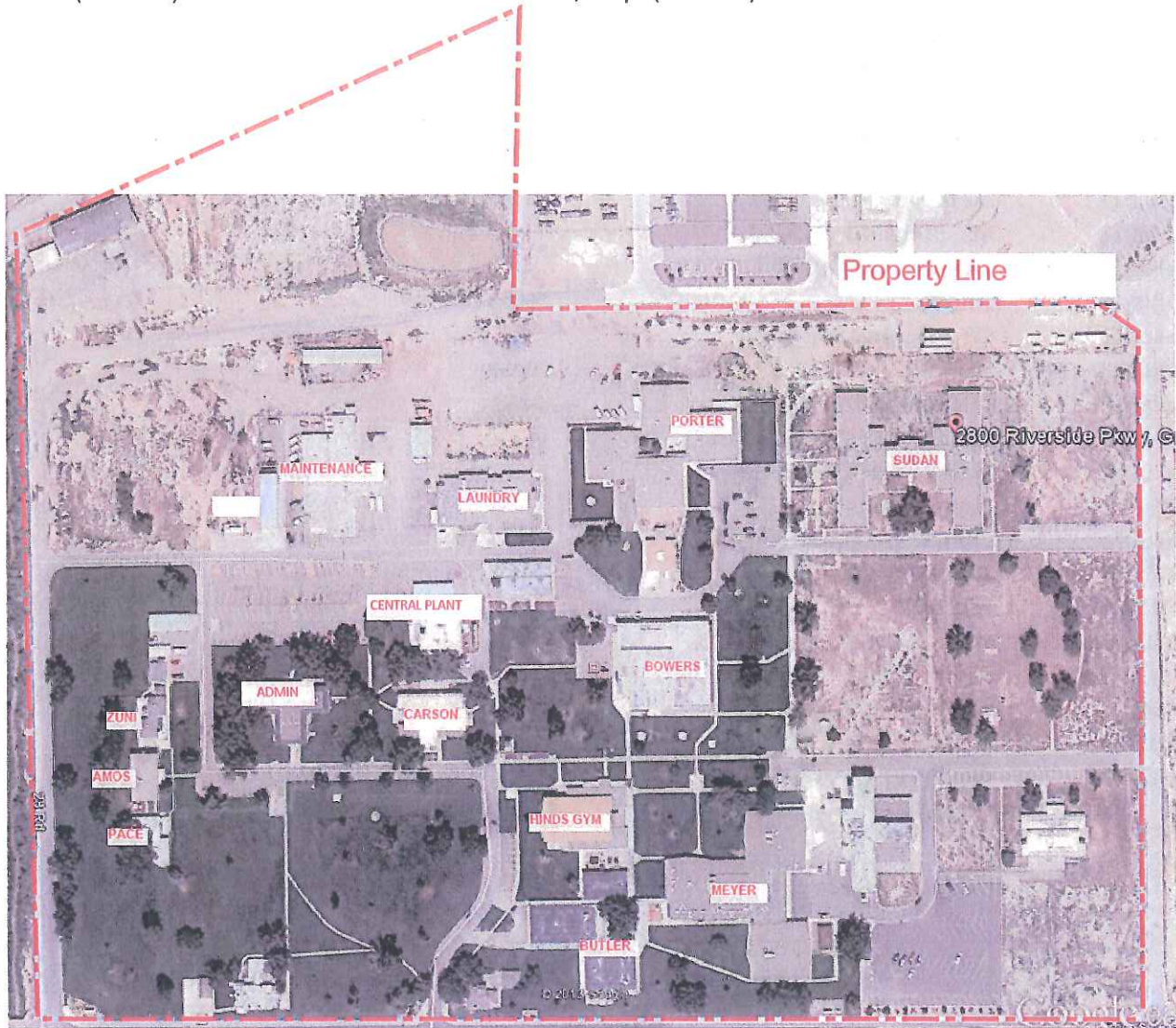


The 14 buildings assigned to be assessed were:

Administration (WRC001)  
Carson (WRC002)  
Bowers (WRC006)  
Hinds (WRC007)  
Butler (WRC008)

Meyer (WRC011)  
Sudan (WRC016)  
Porter (WRC018)  
Laundry (WRC019)  
W District Admin/Shops (WRC020)

Zuni (WRC025)  
Amos (WRC026)  
Pace (WRC027)  
Central Plant (WRC003)



Total Site area: 46 acres  
Building area: 192,813 square feet (14 Buildings in Assessment)  
Currently serves: 30 clients  
Capacity to serve: Up to 900 clients  
Number of Buildings in Assessment: 14  
Number of Buildings on Campus: 28



### BUILDING AREAS

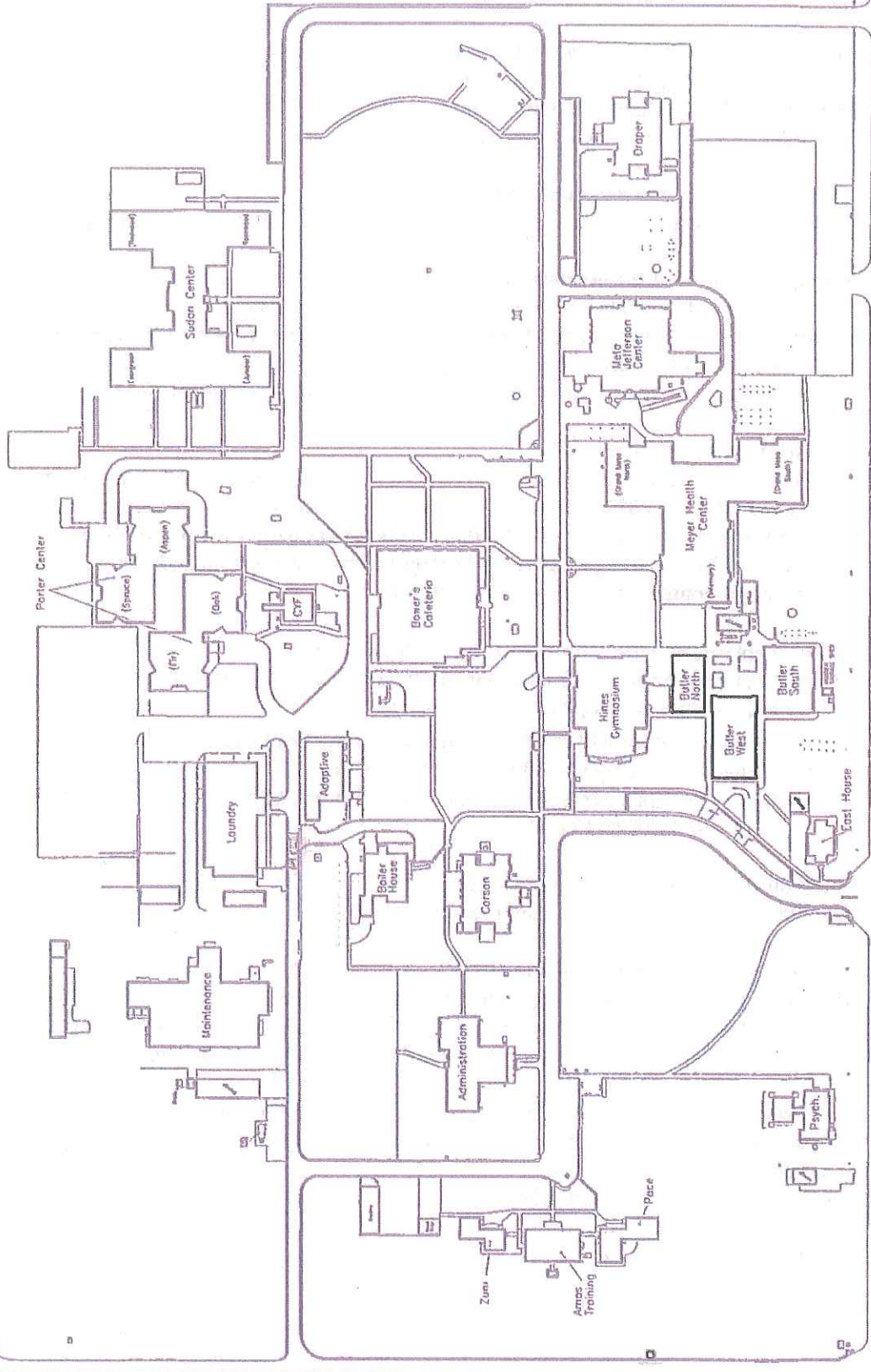
Building #	Building Name	Bldg in Assessment SF	Bldg Not in Assessment SF
WRC001	ADMINISTRATION	13125	
WRC002	CARSON BUILDING	7963	
WRC003	CENTRAL BOILER PLANT	6245	
WRC004	ADAPTIVE EQUIPMENT BLDG		4014
WRC005	BRODINE STORAGE		1457
WRC006	BOWERS KITCHEN	17668	
WRC007	HINDS RECREATION CENTER	10782	
WRC008	BUTLER LEARNING CENTER	13835	
WRC009	EAST HOUSE - GARAGE		580
WRC010	EAST HOUSE		2605
WRC011	MEYER HEALTH CENTER	27752	
WRC012	MJC BUILDING		21987
WRC013	DRAPER BUILDING		7723
WRC016	SUDAN CENTER	26953	
WRC017	CYF TRAINING LAB		1720
WRC018	PORTER CENTER	20459	
WRC019	LAUNDRY/HOUSEKEEPING	9753	
WRC020	W DISTRICT ADMIN./SHOPS	14109	
WRC021	MAINTENANCE STORAGE		2440
WRC022	WAREHOUSE		6250
WRC024	GARAGE/STORAGE		535
WRC025	ZUNI COTTAGE	1492	
WRC026	AMOS	5619	
WRC027	PACE COTTAGE	2258	
WRC029	WEST HOUSE		2563
WRC030	WEST HOUSE GARAGE		560
WRC20A	MAINTENANCE STORAGE		1953
WRC22A	WAREHOUSE STORAGE		981
	<b>TOTAL SF</b>	<b>178013</b>	<b>55368</b>



GRAND JUNCTION REGIONAL CENTER  
 2800 D ROAD  
 GRAND JUNCTION, CO 81501



REV. ??





**ASSESSMENT OF CURRENT CONDITIONS**

The team of specialists reviewed existing record documentation, drawings and reports of the buildings, and visited the site for verification, observation and photo documentation of existing conditions. In summary, site inspections of the buildings, review of existing audit reports, review of current operating costs provided by CDHS and order of magnitude cost estimates indicate the following:

**Average Age of the Buildings Inspected**

The age of the buildings in this assessment range from 1936 – 1975 with an average age of 62 years.

**Average Condition of the Buildings Inspected**

The average condition of the buildings is poor. Almost all buildings have fire and life safety, egress or bathroom code deficiencies, single pane windows that do not meet current energy code requirements nor security requirements, housing facilities without required security doors, a presence of lead paint and asbestos containing materials, as well as outdated floor, wall, casework and ceiling finishes.

**Current Operating Costs**

The operating costs to maintain the Campus at Grand Junction with an estimated square footage of 192,813 was \$1,461,523 in FY 2013-14, based on average direct cost of square footage for the entire department of \$7.58 per square foot. This does not include costs such as depreciation and indirect overhead charges associated with the existing property and support of the functions. In addition, controlled maintenance projects appropriated for the past decade included:

- Replacing the fire alarm system for \$300,300- FY 03-04
- Replacing mechanical equipment and steam lines for \$807,071- FY 05-06
- Roof replacement for \$481,240- FY 06-07
- Heat plant repair and equipment replacement for \$811,010- FY 07-08
- Replacing HVAC equipment for \$875,497- FY 09-10
- Heat plant repair and equipment replacement for \$667,122 de-appropriated (\$143,888 spent of original \$811,010, FY07-08) FY 09-10

Total controlled maintenance of \$2,607,996

Note: this does not take into account programmatic costs.

**Cost to Renovate Buildings and Site**

The order of magnitude cost estimate to renovate the buildings and site of 170,000 square feet is \$32,300,000. This estimate is based on the deficiencies identified in the report; this estimate does not include programmatic analysis to bring program needs to contemporary standards of the users and clients.

The following five buildings, totaling 36,335 square feet, are currently vacant and in need of demolition. Based on a demolition cost of \$12/square foot, including a \$5/square foot allowance for abatement, the demolition requirement would cost \$436,000.

- |  |                    |
|--|--------------------|
| Old adaptive equipment building (WRC004) | Easthouse (WRC010) |
| MJC Building (WRC012)                    | Draper (WRC013)    |
| Westhouse (WRC029)                       |                    |



**Initial Options Under Consideration:**

The team analyzed the site and building conditions first to determine deficiencies that needed to be corrected for estimating, then to identify alternative options for the future use of the buildings based on market conditions and CDHS future space requirements. The options first under consideration were to:

- Shrink CDHS operations at the GJC site to accommodate clients, this includes Intermediate Care Facility (ICF) / Intellectual and Developmental Disability (IDD) clients, and sell the remaining land. This would include taking the buildings off the central plant, eliminating the laundry facility operations, and minimizing the facilities management operations.
- Shrink the CDHS operations at the GJC site to accommodate clients, this includes ICF / IDD clients, and renovate select other buildings for leasing to other agencies. This would include taking the buildings off the central plant, eliminating the laundry facility operations, and minimizing the facilities management operations.
- Renovate the buildings as office space and lease to private sector or other agencies.
- Partner with a developer in developing land for higher value.
- Partner with the City of Grand Junction to rezone the land based on the new comprehensive plan for the area and its suggested land use as Business Mixed use:
  - Shut down the site and go through annexation and rezoning to sell at a greater value
  - RFP partnership with developer to bring higher land value to the deal.
  - Shrink CDHS use on site, rezone the remaining land and sell off that parcel.
- Partner with Senior care, PACE adult daycare, or a similar non-profit to provide an all-inclusive health care facility for elderly adults. This facility or campus could share a campus with a reduced CDHS facility. Local providers include:
  - Rocky Mountain Health Care Services
  - InnovAge Greater Colorado
  - Senior CommUnity Care

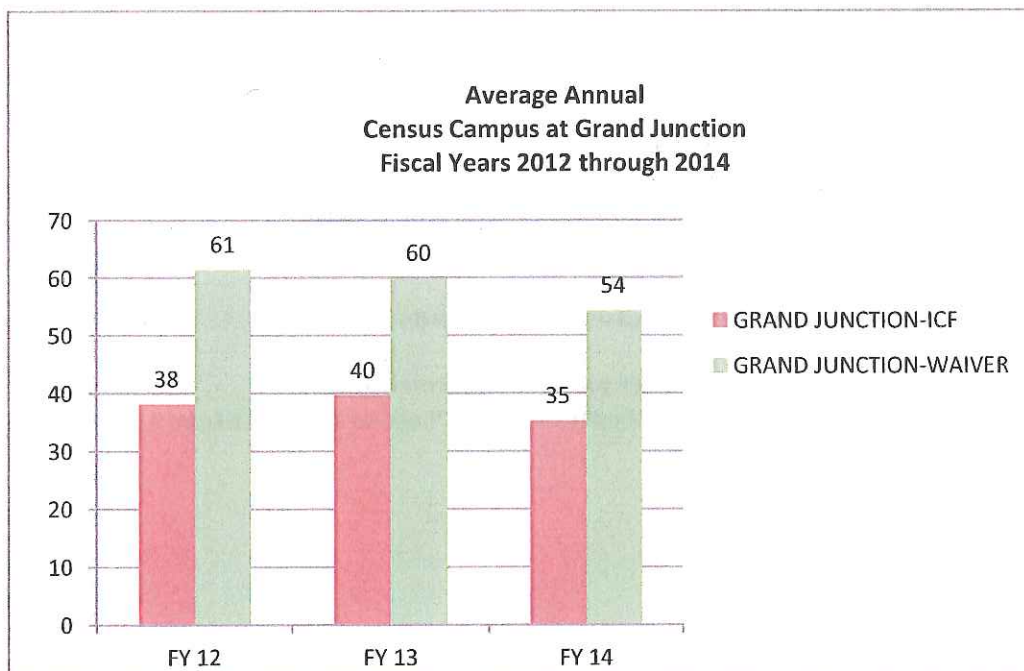
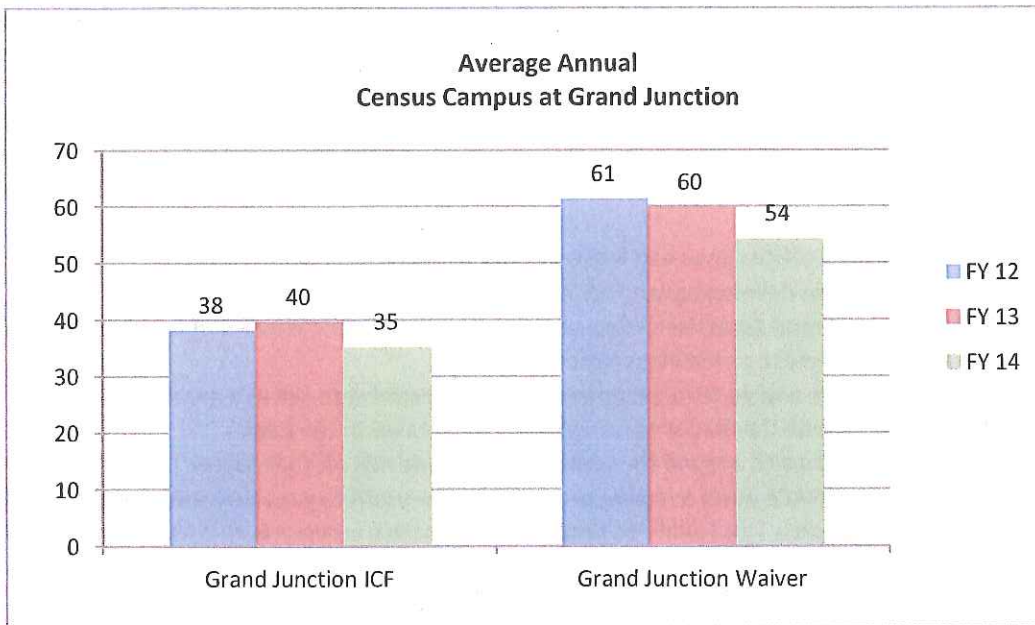
Based on analysis of the above options, the following were identified as move forward options for the second phase of the assessment:

1. Reduce footprint of CDHS operations on site
  - a. Sell off remaining land
  - b. Renovate remaining buildings and lease space to tenants
  - c. Sell off specific buildings for senior living facilities
2. Vacate site
  - a. Renovate buildings and lease space to tenants
  - b. Sell land
  - c- i. Sell land and lease space back from the new owner
  - c-ii. Maintain reduced CDHS operations in a "build to suit" lease from a private owner in the Grand Junction area



## ALTERNATIVE SITE OPTIONS

The objective of the second phase of the assessment is to identify potential best use options for the GJC site. The OZ team utilized the current GJC site and buildings assessment, with an initial investigation of the City of Grand Junction planning and future land use map, real estate data for the City of Grand Junction, preliminary investigation of private sector demand in Grand Junction and initial investigation of other potential institutional uses.







The assumption for this report is the population will continue to decline. Clients are currently housed in three of the existing buildings on site; Porter, Zuni and Meyer. Other buildings that are in operation on site provide ancillary services to support the approximately 30 clients, maintain the site and buildings and support the local offsite community homes. Those buildings are:

Administration – Houses GJC staff including the Director, Program Director, Mid-level supervisors, and Social Workers, along with the following departments: Time Keeping, Accounting, Procurement, Psychology, IT/Phone Hub, Copy/Printer room, and Public visitor check in.

Hinds Gymnasium – The gymnasium space is utilized by developmentally disabled clients for day programs, it includes a game room for developmentally disabled client use, and clients are always supervised by staff. Additionally the gymnasium provides storage for client use.

Butler Learning – The north building is primarily used for staff training. The west building is used for client day and vocational programs, staff meetings, and includes a staff break room, an office, a training room, and contains the mechanical room for all three Butler Learning buildings. The south building provides gross motor skills space for more physically handicapped developmentally disabled clients, it houses the Adaptive Equipment department, and has one vocational space.

W District Admin/Shops– Houses the maintenance staff, metal, wood, electrical, and paint shops required to support maintenance of the site and buildings. The GJC W District Admin/Shops also houses an auto/fleet repair shop that maintains all CDHS/GJC vehicles as well as vehicles for other local state agencies. Colorado Department of Transportation, Department of Military and Veterans Affairs, Colorado State Patrol (fueling station), Department of Corrections Parole and Judicial use the fleet garage services from time to time.

Laundry – The laundry facility houses a commercial laundry operation for developmentally disabled clients from the GJC and some group homes, including Grand Mesa Youth Services Center, and outside private sector companies. Some of the higher functioning developmentally disabled clients work at the laundry facility as part of a vocational program. Housekeeping offices are also in this building.

Central Plant – The GJC buildings are all connected to the central plant. The central plant houses the boiler that provides steam and hot water for the heating systems to all buildings on site.

Based on the current assessment of the buildings, planned future demand, and GJC operational (maintenance and housekeeping) costs of \$1.46 million, covering a total of 233,381 sf and serving only approximately 30 residents in a facility designed to provide services for 600 to 900 clients is inefficient. Moreover, the majority of the building facilities are outdated, do not meet fire safety, accessibility and code requirements and do not effectively meet the programmatic needs of the clients.

The team met with CDHS OAS management and performed an assessment of the site and buildings, collecting and reviewing operation costs. A preliminary investigation including demand by other agencies, cost and demand for private sector class C office space and industrial space, industrial zoned land values was conducted. Options selected for analysis recommended either reducing the size of the GJC operation or eliminating the operations and vacating the site.



## **COST ASSUMPTIONS UTILIZED IN OPTION ANALYSIS**

### **Renovation and New Construction Costs**

Renovation and New Construction costs are based on Rider Levett Bucknall (RLB) cost estimates. See Renovation and New Construction cost matrixes below. Based on results from phase one assessment of the existing buildings on site, the following assumptions are used for the scope of building renovation.

Demolish the interior and renovate the buildings to meet occupant needs and code requirements, replace all windows and repair roofs, provide an allowance for hazardous material abatement, place buildings on their own mechanical, electrical and plumbing systems, and provide site work improvements.

**Estimated Renovation Costs Per Square Foot = \$190/square foot (excluding Central Plant, \$206/square foot including Central Plant).**

**Estimated New construction costs per square foot = \$356/square foot.**

**Estimated Site Infrastructure Improvements per acre = \$300,000/acre.**

**COLORADO DEPARTMENT OF HUMAN SERVICES - GJC  
ASSESSMENT OF PROPOSED CAMPUS OPTIONS - ROM \$/SF**

RLB | Rider Levett Bucknall

Program	Renovation \$ / bgsf	Design & Engineering Fees 12%	Permitting & Commissioning 5%	FF&E Allowance \$/sf	Existing Building Demolition \$/sf	Allowance for Hazmat Abatement \$/sf	TOTAL \$ / bgsf
Administration - office	13,125	20	8	7	0	5	2,696,810
Carson - residence	7,963	17	7	2	0	5	1,341,400
Bowers - kitchen	17,668	20	8	25	0	5	3,964,950
Hinds Gym - recreation	10,782	17	7	10	0	5	1,896,461
Butler - education	13,835	20	8	7	0	5	2,857,635
Meyer - health	27,752	20	9	15	0	5	6,095,206
Sudan - residence	26,953	16	7	2	0	5	4,443,595
Porter - residential	20,459	16	7	2	0	5	3,349,937
Laundry - laundry	9,753	17	7	10	0	5	1,735,198
W District Admin/shop	14,109	16	7	10	0	5	2,452,681
Zuni - residence	1,492	18	8	2	0	5	276,864
Amos - education	5,619	21	9	7	0	5	1,197,788
Pace - residence	2,258	17	7	2	0	5	398,778
Central Plant - CUP	6,245	64	27	2	0	5	3,960,079
Allowance for civil/site development							
	<b>178,013</b>						<b>36,667,383</b>

**RENOVATION OF EXISTING FACILITIES**

Average \$/SF excluding Central Plant = 190

**COLORADO DEPARTMENT OF HUMAN SERVICES - GJC  
ASSESSMENT OF PROPOSED CAMPUS OPTIONS - ROM \$/SF**

RLB | Rider Levett Bucknall

Program Area	Program Area bgsf	New Construction \$ / bgsf	Design & Engineering Fees 12%	Permitting & Commissioning 5%	FF&E Allowance \$/sf	Existing Building Demolition \$/sf	Allowance for Hazmat Abatement \$/sf	Total Estimated Construction Cost \$ AT JUNE 2014
Administration - office	13,125	250	30	13	15	7	5	\$ 4,193,438
Carson - residence	7,963	200	24	10	5	7	5	\$ 1,998,713
Bowers - kitchen	17,668	250	30	13	50	7	5	\$ 6,263,306
Hinds Gym - recreation	10,782	200	24	10	20	7	5	\$ 2,868,012
Butler - education	13,835	275	33	14	15	7	5	\$ 4,824,956
Meyer - health	27,752	275	33	14	30	7	5	\$ 10,094,790
Porter - residence	26,953	200	24	10	5	7	5	\$ 6,765,203
Sudan - residence	20,459	200	24	10	5	7	5	\$ 5,135,209
Laundry - laundry	9,753	200	24	10	20	7	5	\$ 2,594,298
W District Admin/ship	14,109	200	24	10	20	7	5	\$ 3,752,894
Zuni - residence	1,492	200	24	10	5	7	5	\$ 374,492
Amos - education	5,619	275	33	14	15	7	5	\$ 1,959,626
Pace - residence	2,258	200	24	10	5	7	5	\$ 566,758
Central Plant -CUP	6,245	800	96	40	5	7	5	\$ 5,951,485
Allowance for civil/site development								\$ 6,000,000

**BUILD NEW COST FOR NEW CONSTRUCTION**

178,013	356							\$ 63,343,280
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**BUILD NEW COST FOR NEW CONSTRUCTION**





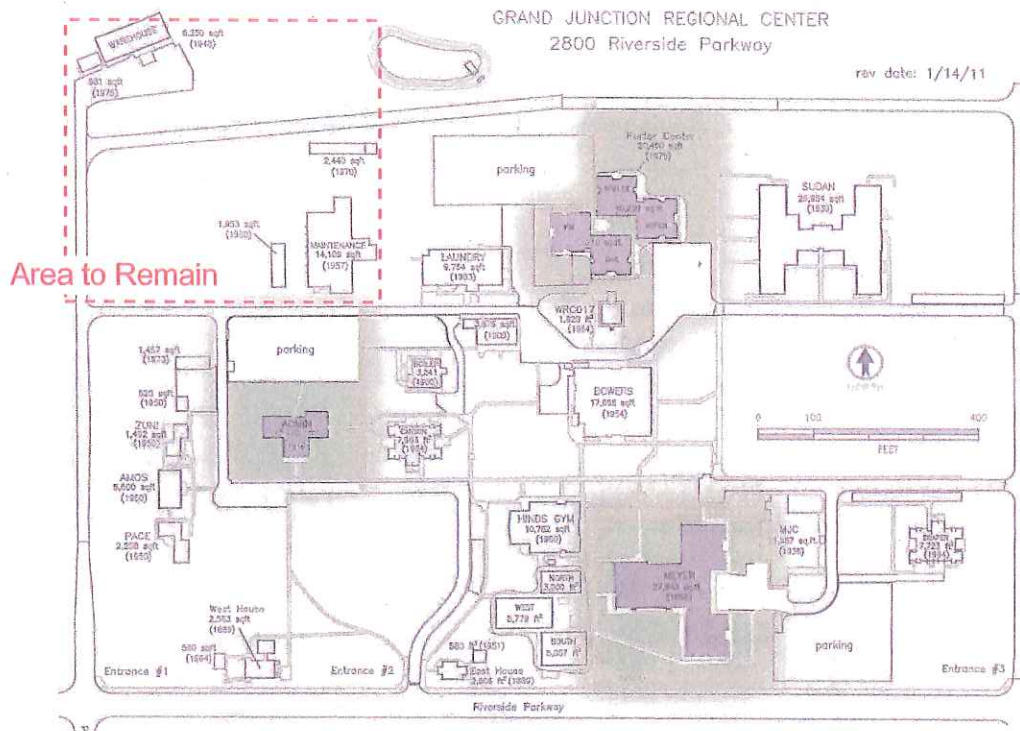
### OPTION 1 – OVERVIEW – Reduce CDHS on Site Operations

The three goals for reducing the footprint of the CDHS operations on the GJC site are to reduce the operational costs of the facilities, provide more efficient and effective facilities to suit the needs of the residents and staff, and to provide future funding of CDHS needs through either the sale of land or leasing of land to other tenants.

Option 1 has three alternatives with the CDHS objective to reduce the CDHS footprint and operations on the GJC campus and provide better facilities.

Reducing CDHS operations on site would include taking the central plant and all vacant buildings offline, outsource laundry services and take laundry building offline, streamline maintenance and facilities management services and staff, consolidate all clients and staff into two to three buildings, and either remodel the existing buildings or build new buildings.

The following site plans provide three potential options for reducing the footprint of CDHS operations on the site.



Renovate and add 30,000 SF at various locations on Site





The following estimated renovation and new construction costs apply to all **OPTION 1** sub options.

For analysis of this option a 30,000 square feet space of building on five acres of land is assumed, to maintain operations for 10 – 20 clients and supporting staff for the clients and regional community homes.

**Cost analysis for reduced size of CDHs operation on site to 30,000 square feet on five acres of land**

**Estimated Renovation Costs**

Renovation would allow the campus to function with a capacity for more clients, however, this cost figure does not serve as a budget to address new programmatic requirements or contemporary design expectatopns for the needed quality of the facilities.

The average cost of renovation for existing buildings on site is estimated at \$190/square foot (excluding the Central Plant).

Based on a requirement of 30,000 square feet, the estimated cost of renovation would be \$5,700,000

Site infrastructure improvements are estimated at \$300,000/acre, totaling \$1,500,000

**Total renovation cost = \$7,200,000**

**Estimated New Construction Costs**

Cost of new construction on site is estimated at \$356/square foot.

Based on a requirement of 30,000 square feet of new buildings on 5 acres, the estimated cost of new buildings would be \$10,680,000

Site infrastructure improvements are estimated at \$300,000/acre, totaling \$1,500,000

**Total new construction cost = \$12,180,000**

**OPTION 1.a. – Reduce CDHS Operations on Site and Sell Remaining Land**

**Shrink CDHS Footprint and Operations on Site**

Approximate Renovation Cost = \$7,200,000

Approximate New Construction Cost = \$12,180,000

**Estimated Sale Price of Land**

Based on information from Coldwell Banker Commercial Real Estate, current Industrial land values are estimated at \$1.00/square foot - \$3.00/square foot (See Appendix, Exhibit C). Based on 40 acres and land "as-is", zoned industrial, the estimated value is \$1,742,400 - \$5,227,200.

**OPTION 1.b. – Reduce CDHS Operations on Site and Renovate Remaining Buildings to Lease Space to Tenants**

**Shrink CDHS Footprint and Operations on Site**

Approximate Renovation Cost = \$7,200,000

Approximate New Construction Cost = \$12,180,000



#### **Estimated Cost to Renovate Existing Buildings for Lease**

There is approximately 170,000 square feet of space on site. Based on using 30,000 square feet for continuing CDHS operations, approximately 140,000 square feet of renovation would be required to renovate existing buildings for lease. Based on an estimated renovation cost of \$190/square foot (excluding the Central Plant), total renovation cost for preparing buildings for lease is approximately \$26,600,000

#### **Lease Renovated Buildings on Site**

Approximately 140,000 square feet of space would be available for lease. Based on \$10/square foot for class C office space, potential rental income would equate to \$1,400,000/year.

### **OPTION 1.c. – Reduce CDHS Operations on Site and Sell Off the Remaining Land and Buildings to a Senior Care Operator**

Option 1.c. proposes reducing the CDHS footprint on the GJC site to 30,000 square feet, selling the Butler and Meyer buildings to a senior care operator, since the existing building and layout is suited for this type of occupancy, and selling the remaining land.

#### **Shrink the CDHS Footprint and Operations on Site**

Approximate Renovation Cost = \$7,200,000

Approximate New Construction Cost = \$12,180,000

#### **Sell Specific Buildings to a Senior Care Operator**

The assumption is that the Butler and Meyer buildings are most desirable for a senior care operator, the associated land required to be sold with these buildings is 10 acres. Based on information from Coldwell Banker Commercial Real Estate, land with existing buildings on site would be valued at \$3.00/square foot (See Appendix, Exhibit C). Based on 10 acres at \$3.00/square foot, the potential sale price would be \$1,306,800.

#### **Sell off Remaining Land**

After reducing CDHS operations on site and selling off the Butler and Meyer buildings and associated land to a senior care operator there would be 30 acres remaining for sale.

Based on 30 acres at \$1.00/square foot, the potential sale price would be \$1,306,800.





## **OPTION 2 - OVERVIEW**

Option 2 has three alternatives that CDHS would decommission all CDHS operations on the GJC campus.

### **OPTION 2.a. Decommissioning CDHS Operations on Site and Renovate Buildings for Lease**

#### **Renovation Cost**

Renovate approximately 170,000square feet at \$190/square foot = \$32,300,000

#### **Lease Analysis**

Lease approximately 170,000square feet at \$10/square foot = \$1,700,000

### **OPTION 2.b. Decommissioning CDHS Operations on Site and Sell Land**

#### **Estimated Sale Price of Land**

Based on information from Coldwell Banker Commercial Real Estate, current Industrial land values are estimated at \$1.00/square foot - \$3.00/square foot (See Appendix, Exhibit C). Based on 45 acres and the land "as-is", zoned industrial, the estimated value is \$1,960,200 - \$5,880,600.

### **OPTION 2.c-i and 2.c-ii. Decommissioning CDHS Operations on Site, Sell Land, and Lease 30,000square feet either on site or in Grand Junction for continued reduced CDHS operations.**

#### **Estimated Sale Price of Land**

Based on information from Coldwell Banker Commercial Real Estate, current Industrial land values are estimated at approximately \$1.00/square foot - \$3.00/square foot (See Appendix, Exhibit C). Based on 45 acres and the land "as-is", zoned industrial, the estimated value is \$1,960,200 - \$5,880,600.

#### **Lease 30,000 square feet for CDHS Operations**

Lease approximately 30,000 square feet at \$20/square foot = \$600,000/year

Note: A specialty use facility that would meet CDHS operational needs for ICF/IDD clients will require a long-term, likely 20 year lease. This is with an assumed \$20/square foot lease rate requiring a 20 year return on investment on a \$12,180,000 capital investment.



### **Long-Term Considerations**

Based on conversations with the City of Grand Junction Planning Department, the Future Land Use Plan for 2800 Riverside Parkway indicates future favored zoning as Business Mixed Use. The city has invested substantial capital into realigning and improving Riverside Parkway, developing a green belt, installing new civil infrastructure, with plans for significant improvements to the area. See Exhibit B in the appendix for the City of Grand Junction Future Land Use Map. If the economy is favorable so that development in the area of the GJC site unfolds as planned, the GJC site has potential to increase in value.