

Colorado Legislative Council Staff Fiscal Note
**STATE, LOCAL and STATUTORY
 PUBLIC ENTITY FISCAL IMPACT**

Drafting Number: LLS 14-0783	Date: February 13, 2014
Prime Sponsor(s): Rep. Duran; Coram Sen. Jahn; Roberts	Bill Status: House Agriculture
	Fiscal Analyst: Alex Schatz (303-866-4375)

SHORT TITLE: REAL PROPERTY PURCHASE SHOOTING RANGE

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures General Fund Cash Funds Federal Funds	Increased workload and expenditures. See State Expenditures section.	
FTE Position Change		
Appropriation Required: None.		

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

Prior to its repeal on July 1, 2020, this bill authorizes the Parks and Wildlife Commission (PWC), in the Department of Natural Resources (DNR), to purchase certain real estate in Mesa County for the purpose of building a multiuse shooting facility. Funding for the purchase may be provided by appropriation, grants, or federal government resources.

Background

The Division of Parks and Wildlife (DPW) in the DNR is actively seeking to develop new shooting ranges in the state, with efforts that include a grant program for range improvements and DPW's efforts to develop state facilities. The site of the former Cameo Power Plant was identified by the DPW as a location for the proposed Cameo Sport Shooting Complex. The proposal includes indoor classroom and pro shop facilities, as well as a variety of outdoor ranges for firearms, clay target shooting, archery, and specialty shooting disciplines.

The former Cameo Power Plant and surrounding parcels are presently owned by private businesses. The property is located adjacent to the Colorado (Grand) River in the Debeque Canyon, near the Town of Palisade and approximately 8 miles east of Grand Junction. The parcels specified in the bill are described in detail in Table 1.

Table 1. Property Information for Parcels Listed in HB 14-1275.					
Parcel Number	Acres	Use Classification	Actual Value	Assessed Value	2013 Property Tax Levy
2709-271-00-081	16.3	Commercial	\$25,400 (land)	\$7,370	\$428.52
2709-274-00-082	15.6	Commercial	23,920 (land)	6,940	403.52
2709-281-00-083	575.4	Commercial	478,670 (land)	138,810	7,321.68
2709-284-00-084	205.4	Commercial	259,890 (land)	75,370	4,344.64
2709-274-00-087	162.7	Industrial	218,020 (land) 906,540 (3 bldgs)	63,230 262,900	18,962.52
TOTALS	975.4		\$1,912,440	\$554,620	\$31,460.88

** Based on information obtained from the Mesa County Assessor's Office.

The statute governing the acquisition of property by the PWC provides that a purchase of land must follow a bid process unless, in certain circumstances such as proximity to other DPW land, the bid process would not be effective. If the bid process is not used, the General Assembly must approve the purchase in a bill.

State Expenditures

The bill results in increased workload and potential costs to the DNR in FY 2014-15. As discussed below, the bill results in the DPW and PWC continuing due diligence and related activities aimed at developing the Cameo Sport Shooting Complex. If a specific purchase is negotiated under the authority of the bill, a lump sum expenditure of appropriated funds, grants, or federal contributions, or some combination from these sources, will be required.

Assumptions. To develop the proposed Cameo Sport Shooting Complex, it is not necessary to acquire all land described in the bill, a total of 975.4 acres. The DNR will acquire title to a portion of this land, requiring appropriate surveying and subdivision to assemble the desired configuration for the multiuse shooting facility. The purchase of land under the bill is conditioned upon prior approval of any subdivision process necessary to transfer the land.

This bill authorizes the acquisition of property for a PWC facility, but does not require an appropriation. Several options are provided for funding the purchase, to be determined by PWC in its continued due diligence and coordination with interested parties. The budget and funding for improvements will also be determined in subsequent action, including any required review by the General Assembly's Capital Development Committee.

DNR — Due diligence. Under the bill, the workload of the DPW and PWC continues to include due diligence regarding the condition of the property, feasibility of specific plans, and appropriate terms to acquire and finance the project. These efforts are within the scope of existing appropriations and staffing for the DNR. However, to the extent that contractual services may be required to conduct surveying, land use permitting, legal negotiations, or other preliminary aspects of the project, the DNR may address associated increases in expenditures in the annual budget process.

DNR— Land purchase. The bill does not obligate the PWC to purchase any property, and an increase in expenditures to purchase land for the Cameo Sport Shooting Complex is conditional, requiring action by the PWC to approve the purchase, as well as sufficient funding. The purchase price depends on numerous factors — particularly the size and condition of the land, including the value of any improvements, and any donation in value from the existing owner — and is not estimated for this analysis. To the extent that funds are available and the PWC takes appropriate action, the bill increases expenditures from designated sources.

School finance impact. Based on a net reduction in property tax revenue, this bill increases the amount of state contributions to school finance.

Local Government, School District, and Statutory Public Entity Impact

The bill results in a minor impact to Mesa County government and certain local taxing authorities. Workload in the Mesa County Planning Department and the Clerk and Recorder's Office will increase to accommodate the transfer of portions of specified parcels to the DNR. By transferring land from private parties to the state, the change to tax exempt status reduces by less than \$31,461 revenue to local governments, school districts, and statutory public entities that currently collect property tax from the specified parcels. Because only a portion of the specified parcels are necessary for development of the multiuse shooting facility, the actual reduction in local property tax revenue will be a portion of the total amount currently levied.

Effective Date

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Natural Resources	Local Affairs	Counties
Property Taxation	Office of State Planning and Budgeting	Sheriffs
Public Safety	Personnel and Administration	