



PUBLIC HEARING AGENDA ITEM

DATE OF PUBLIC HEARING: June 20, 2017
SUBJECT: Letter of Intent to Purchase Real Property
FROM: Raymond H. Gonzales, Interim County Manager
AGENCY/DEPARTMENT: County Manager's Office
HEARD AT STUDY SESSION ON: February 7, 2017
AUTHORIZATION TO MOVE FORWARD: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
RECOMMENDED ACTION: That the Board of County Commissioners authorize the Chair to execute a Non-Binding Letter of Intent on behalf of Adams County to purchase land from IVE Colorado LLC, Jacobs LLC and King Paul 1 LLC.

BACKGROUND:

The State of Colorado Department of Human Services has received funding to design the replacement of the Adams Youth Services Center. This facility is the oldest youth detention facility in the State system.

The County, IVE Colorado LLC, Jacobs LLC and King Paul 1 LLC have negotiated a draft Letter of Intent (LOI) to purchase an approximately twelve (12) acre parcel (the "Property") located on the south side of Bromley Business Parkway, that is conveniently located for such a facility. If the land is purchased, the County would then subsequently deed the property to the state, with a reversion clause.

The agreed-upon price of \$3.50 square foot will apply to the final acreage determined after design of the facility and replat of the parcel but the property is preliminarily estimated to be approximately twelve (12) acres. The LOI requires a \$100,000.00 earnest money deposit, which is refundable if a final purchase contract is not executed.

The LOI provides for the negotiation and execution of a purchase contract for the Property, incorporating the provisions of the LOI. This LOI is non-binding, and all of these terms and conditions are contingent upon the parties executing the subsequent purchase contract, which must be brought back to the Board of County Commissioners for approval.

AGENCIES, DEPARTMENTS OR OTHER OFFICES INVOLVED:

County Manager's Office
County Attorney's Office

ATTACHED DOCUMENTS:

Resolution
Letter of Intent

FISCAL IMPACT:

Please check if there is no fiscal impact ☐. If there is fiscal impact, please fully complete the section below.

Fund: 1**Cost Center: 9252**

	Object Account	Subledger	Amount
Current Budgeted Revenue:			
Additional Revenue not included in Current Budget:			
Total Revenues:			

	Object Account	Subledger	Amount
Current Budgeted Operating Expenditure:			
Add'l Operating Expenditure not included in Current Budget:			
Current Budgeted Capital Expenditure:	9010		\$1,940,000
Add'l Capital Expenditure not included in Current Budget:			
Total Expenditures:			<u>\$1,940,000</u>

New FTEs requested: ☐ YES ☒ NO

Future Amendment Needed: ☐ YES ☒ NO

Additional Note:

The estimated purchase price is \$1,936,242.00. The final acreage shall be agreed upon once the replat of the property is completed and the final purchase price shall be adjusted if necessary after the final replat. This will be incorporated into the final purchase contract.

The LOI requires a \$100,000.00 earnest money deposit with two (2) days following the execution of a subsequent purchase contract. All earnest money is refundable if the County terminates the purchase contract prior to the end of the inspection period.