

Transaction Report

Fiscal Year

2017-18

Annual report detailing acquisitions and disposals of trust lands

Colorado State
Board of Land
Commissioners

Colorado State Board of Land Commissioners Transaction Report | FY 2017-18

Introduction

The Colorado State Board of Land Commissioners (State Land Board) is pleased to present its Fiscal Year 2017-18 Transaction Report. The State Land Board conducts real estate transactions, including disposals, acquisitions and land-for-land exchanges. As required by Section 36-1-102, C.R.S., the State Land Board provides an annual summary report no later than November 1 detailing all real estate transactions closed during the prior fiscal year.

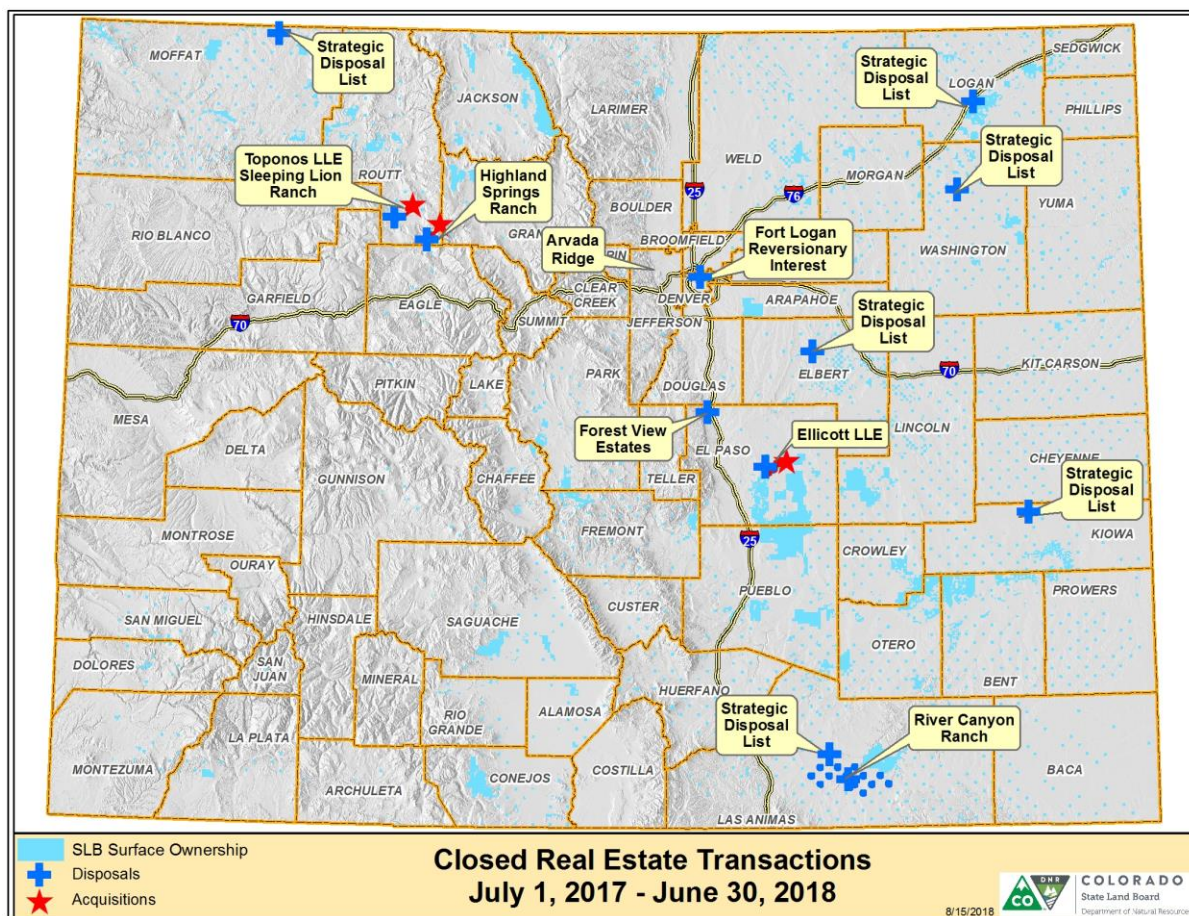
Summary

During FY 2017-18, the State Land Board completed 16 transactions: three land-for-land exchanges and 13 disposals.

The State Land Board's three land-for-land exchanges occurred in Routt and El Paso Counties and totaled approximately \$4.3 million.

The State Land Board disposed of approximately 12,200 acres for the School Trust and one disposal for the University of Colorado Trust. The value of these parcels totals approximately \$3.5 million across various counties.

Figure 1: FY 2017-18 Real Estate Transactions



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Table 1: Closed Real Estate Transactions

Closed Real Estate Transactions July 1, 2017 - June 30, 2018						
TRANSACTION (TA) NAME	TA TYPE	COUNTY	ACRES MORE OR LESS	EXCHANGE VALUE*	CLOSED	TRUST
ACQUISITIONS						
Routt County T1S R83W LLE	LLE	Routt	36.800	\$ 939,000.00	9/27/2017	S
Ellicott LLE	LLE	El Paso	1280.000	\$ 991,000.00	4/20/2018	S
Routt County - Toponas LLE	LLE	Routt	703.000	\$ 2,380,000.00	5/15/2018	S
		TOTAL	2,019.80	\$ 4,310,000		
DISPOSALS						
TRANSACTION (TA) NAME	TA TYPE	COUNTY	ACRES MORE OR LESS	EXCHANGE VALUE*	CLOSED	TRUST
Routt County T1S R83W LLE	LLE	Routt	313.000	\$ 939,000.00	9/27/2017	S
Ellicott LLE	LLE	El Paso	1320.000	\$ 991,000.00	4/20/2018	S
Routt County - Toponas LLE	LLE	Routt	640.000	\$ 2,380,000.00	5/15/2018	S
Disposal List: Elbert	Disposal	Elbert	40.000	\$ 77,000.00	8/8/2017	S
Disposal List: Washington	Disposal	Washington	10.000	\$ 5,000.00	8/8/2017	S
Disposal List: Logan	Disposal	Logan	5.180	\$ 15,641.00	8/8/2017	U of C
Disposal List: Kiowa	Disposal	Kiowa	40.000	\$ 12,000.00	8/8/2017	S
Disposal List: Las Animas	Disposal	Las Animas	80.000	\$ 20,500.00	8/8/2017	S
Disposal List: Moffat County	Disposal	Moffat	1.000	\$ 2,500.00	8/31/2017	S
Disposal List: Moffat County	Disposal	Moffat	1.500	\$ 2,500.00	11/29/2017	S
Forest View Lot 18	Disposal	El Paso	2.500	\$ 204,000.00	12/28/2017	S
Forest View Lot 17	Disposal	El Paso	2.500	\$ 192,000.00	10/10/2017	S
Forest View Lot 5	NSE- Disposal	El Paso	2.690	\$ 204,000.00	1/30/2018	S
Forest View Lot 4	NSE- Disposal	El Paso	2.500	\$ 200,000.00	3/15/2018	S
Las Animas County	NSE- Disposal	Las Animas	9485.000	\$ 2,608,700.00	1/12/2018	S
Fort Logan Reversionary Interest	NSE- Disposal	Denver/ Arapahoe	228.000	\$ -	5/4/2018	S
		TOTAL	12,173.87	\$ 7,853,841		

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Summary of Land-for-land Exchanges

Routt County T1S R83W

This transaction was the result of a negotiated settlement between three parties in Routt County over a dispute of ownership and access to a mineral deposit located on State Land Board property. The State Land Board benefits from the settlement included reduced risk of loss of royalties from the current mining operation plus the unification of the Land Board's mineral and surface rights in the disputed parcel.

Ellicott

This exchange disposed of approximately 1,280 acres west of Peyton Highway in exchange for approximately 1,320 acres of land located east of Peyton Highway. The property acquired included a livestock well, water pipeline system, 6 stock water tanks and a set of working corrals. The newly configured state trust property will be easier to manage and more attractive to competitive bidders and it will create continuous acreage that is more appealing to potential buyers.

Routt County - Toponas

This transaction exchanged approximately 640 acres of School Trust property for approximately 680 acres of privately owned land. The property acquisition parcel includes storage water rights and all minerals. The benefit to the State Land Board was the disposal of a 640-acre property that did not have legal access from a public road and was surrounded by a large, privately owned ranch. As part of the transaction, the parcel acquired was granted two easements that will provide direct access to a county road. This access will provide additional opportunities to lease the property for recreation and open up a competitive bid process for agricultural which generates higher expected revenue.

Summary of Disposals¹

Strategic Disposal List

After a review of certain state trust lands, staff determined that the State Land Board's holdings included a number of parcels generating very little revenue, having no unique or distinguishing attributes, and/or lacking current or potential legal physical access. Following this review, the Board directed staff to undertake a more complete evaluation of state trust land to determine if the disposition of property with the characteristics described above is in the best interest of the trusts. Staff completed the analysis and recommended various parcels that should be disposed. 7 of the parcels recommended for disposal were disposed of during the year.

¹ Sections 36-1-124 and 36-1-124.3, C.R.S, which require public bids and public notifications of state trust property disposals, govern sales of state trust lands. Section 36-1-124.5, C.R.S. governs the reinvestment of property sale proceeds.

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Forest View Lots 18,17,5 and 4

A 1993 Property Improvement Agreement formed Forest View Estates in Monument, Colorado. Forest View Estates is a 120-acre residential development containing 52 residential lots. As lots are sold, the State Land Board receives the net proceeds. During FY 2017-18, 4 lots were sold.

Las Animas County

This transaction disposed of approximately 9,485 acres of state trust land east of Trinidad. The disposal of these parcels benefited the State Land Board because the opportunities to increase revenue were limited by poor access, lack of agriculture improvements (water or fencing), distance from the nearest large town (Trinidad), and the fact that they are scattered throughout and inside the 143,000-acre River Canyon Ranch. The transaction also generated an increase in value to the State Land Board of \$502,564, which was 24% above appraised value.

Fort Logan Reversionary Interest

This transaction involved the transfer of a reversionary interest in the Fort Logan property to the Department of Human Services (DHS). The transfer accomplished three important outcomes. First, it satisfied a requirement (established HB 16-1456 and HB 17-1346) that DHS sell up to 66 acres of land to the Federal Veteran Administration (VA) for expansion of the VA cemetery. Second, it simplified the State of Colorado's property title at Fort Logan, and lastly, it removed the State Land Board from its role as administrator of the reversionary interest which staff believed was more of a hindrance than a benefit.