

December 17, 2014 -- Property Transaction Proposal

Colorado Parks and Wildlife

Arkansas Headwaters Recreation Area Pink House Fee Title Acquisition

Fremont County

4 acres

1 mile west of Canon City

Section 33-1-105 (3)(a), C.R.S. states:

In the event that the [Parks and Wildlife] Commission plans to acquire the fee title to any real property or to acquire an easement for a period to exceed 25 years or at a cost to exceed \$100,000 or to enter into any lease agreement for the use of real property for a period to exceed 25 years or at a cost to exceed \$100,000, or to sell or otherwise dispose of the fee title to any real property which has a market value in excess of \$100,000, the Commission shall first submit a report to the Capital Development Committee [CDC] 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 CDC shall review the reports submitted by the Commission and make recommendations to the Commission concerning the proposed land transaction within 30 days from the day on which the report is received. The Commission shall not complete such transactions without considering the recommendations of the CDC, if such recommendations are timely made.

The required report is attached. CDC staff questions about the report are listed below.

Action Required

Recommend support for the fee title acquisition of the Arkansas Headwaters Recreation Area Pink House property (\$270,000 CF for 4 acres).

CDC Staff Questions

1. Is there any mineral exploration or development currently underway on the property?

No.

2. Does the division anticipate any future mineral exploration or development?

No, the property is directly adjacent to the river and will be used by the public as a recreation site.

3. What is the proximity of this purchase to the proposed Placer acquisition?

The property is approximately 100 miles downstream (southeast) of the Placer acquisition.

4. The concurrence letters mention the expansion of an existing parking lot. Please provide information about plans to expand existing parking, including how the department plans to fund the costs and when the expansion might occur.

The work was recently completed and was paid for using AHRA operating funds.

5. Please provide additional information to justify the relatively high cost per acre for the proposed acquisition (as compared to the price per acre of the listed appraisal properties).

The property is strategically located as a "take out point" for recreational rafters/boaters on the Upper Arkansas River. According to the appraisal, rafting/boating has replaced fishing as the most popular activity on the river.

The "Sales Comparison Approach" is a common but only one of three approaches an appraiser will use when determining a property's value. The "Income Capitalization Approach" and the "Cost Approach to Value" are the other two.

From 2006 thru 2013, the commercial outfitter's boat ramp on the property generated an income of approximately \$26,000 per year for the landowner. Therefore, the appraiser determined the "Income Capitalization Approach" was the more meaningful approach than the "Sales Comparison Approach" and gave it considerable "weight" during his final analysis.

Capital Development Committee December, 2014—Property Transaction Proposal

Department of Natural Resources *Division of Parks and Wildlife*

Action Required	Pursuant to C.R.S. 33-1-105(3)(a) and C.R.S. 33-10-107(2) recommend to the Colorado Parks and Wildlife Commission support for the Division of Parks and Wildlife’s proposal to acquire a fee title interest.
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General Information	
Name	AHRA – Pink House
Number of acres	4
Location	1 mile west of Canon City
County	Fremont

Costs / Source of Funding			
Purchase Price	\$270,000.00	Funding Source	GOCO – Parks Purpose
GOCO	Spending authority has already been approved for this project in the Long Bill		
	Fiscal Year	2012-13 – GOCO Parks Purpose	
	Line Item	G13-2012-15C	
	Appropriation	\$350,000	
	Remaining Unexpended Balance	\$230,835	
GOCO	Spending authority has already been approved for this project in the Long Bill		
	Fiscal Year	2013-14 – GOCO Parks Purpose	
	Line Item	G14-2013-03C	
	Appropriation	\$350,000	
	Remaining Unexpended Balance	\$350,000	
Annual Monitoring and Operation Costs	\$2,500.00	This cost includes an annual estimated Impact Assistance Grant payment of \$0.64 for this property.	
Development Costs	CPW previously spent approximately \$10,000 on the second boat ramp, parking area improvements and signs.		
* The Division may alter the source of funds for individual acquisitions based on circumstances that arise in the time period prior to closing.			

Summary of Proposal:

CPW will acquire a fee title interest in the Property without mineral rights (they were severed in 1967). CPW has leased the Property for two (2) years while negotiating a long-term or permanent real property interest.

Current use of the Property is allowing recreational floaters and anglers on the Arkansas River use of two (2) boat ramps for boat “take out” and motor vehicle parking purposes. These uses will continue in the future.

The current landowner acquired the Property in 1974.

According to a review of the first map referenced below, the Property is within the scope of regions of known or potential geothermal resources. Also, according to a review of the second map referenced below, the Property lies outside the Central Solar Power and the Wind Resource Generation Development areas.

Geothermal: November, 2003 US Department of Energy, Office of Energy Efficiency and Renewable Energy, Geothermal Technologies Program.

Wind and Solar: A map entitled “SB07-91 Renewable Resource Generation Development Areas” from “Renewable Energy Development Structure,” a report of the Colorado Governor’s Energy Office dated December 2009.

Mineral Interest Ownership:

The mineral estate has been severed from the surface estate.

Attachments:

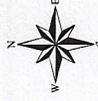
- Map
- Concurrence letters
- Three (3) comparables from appraisal



Arkansas Headwaters Recreation Area

 Brown Parcel

 Park Boundary - CMA with BLM



Map Document: Arkansas_Headwaters.mxd
Map File: Arkansas_Headwaters.aprx
Data Source: BLM, Fremont County, Eng
Color: ARS, ARS, ARS
Color: ARS, ARS, ARS
Color: ARS, ARS, ARS
Map Datum: NAD83
Map Projection: UTM
UTM Zone: 13 North

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KEVIN GRANTHAM
State Senator

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Denver, Colorado 80203
(303) 866-4877
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COMMITTEES
Member of:

Ranking Member:
Finance Committee

**SENATE
STATE OF COLORADO
DENVER**

July 11, 2014

Capital Development Committee
Colorado General Assembly
State Capitol Building, Room 029
Denver, CO 80203

Dear Members of the Capital Development Committee:

Colorado Parks and Wildlife recently contacted me regarding the acquisition of the Pink House property in Canon City, located at the base of the Royal Gorge. I strongly support this effort as a key addition to the Arkansas Headwaters Recreation Area (AHRA).

Acquiring the Pink House property would be an asset to the AHRA and contribute to public access at this location in the following ways:

- Expand the boat ramp to reduce overcrowding.
- Provide parking for day use visitors.
- Provide a picnic site.
- Better accommodate commercial and private use during all water levels
- Alleviate crowding downriver for river trip take-outs at the Canon City River Park.
- Provide access to the Bureau of Land Management Grape Creek open space.
- Provide fishing access for anglers.

The economy of the upper Arkansas River valley is driven by tourism, most notably, river-based tourism. Local residents as well as visitors from throughout Colorado, the United States and internationally are drawn to the AHRA to enjoy whitewater boating, fishing, wildlife viewing, sightseeing, hiking, bicycling, camping and many more outdoor activities. The Pink House property would be a great showcase for Colorado Parks and Wildlife and would improve and enhance the recreation experience for commercial rafters and other user groups.

Thank you for giving this effort your utmost consideration.

Sincerely,

Kevin Grantham, State Senator
Senate District 2, Colorado

State Representative
JAMES D. WILSON
Colorado State Capitol
200 East Colfax Avenue, Room 271
Denver, Colorado 80203
Office: 303-866-2747
Email: james.wilson.house@state.co.us



Member:
Education Committee
Finance Committee
Public Health Care &
Human Services Committee

COLORADO
HOUSE OF REPRESENTATIVES
STATE CAPITOL
DENVER
80203

July 21, 2014

Capital Development Committee -- Colorado General Assembly
State Capitol Building, Room 029 Denver, CO 80203

Dear Members of the Capital Development Committee:

Colorado Parks and Wildlife recently contacted me regarding the acquisition of the Pink House property in Canon City, located at the base of the Royal Gorge. I strongly support this effort as a key addition to the Arkansas Headwaters Recreation Area (AHRA). Since we are already spending lease dollars for this property, purchasing the property would be a wise use of taxpayer's dollars.

Acquiring the Pink House property would be an asset to the AHRA and contribute to public access at this location in the following ways:

- Expand the boat ramp to reduce overcrowding.
- Provide parking for day use visitors.
- Provide a picnic site.
- Better accommodate commercial and private use during all water levels
- Alleviate crowding downriver for river trip take-outs at the Canon City River Park.
- Provide access to the Bureau of Land Management Grape Creek open space.
- Provide fishing access for anglers.

The economy of the upper Arkansas River valley is driven by tourism, most notably, river-based tourism. Local residents as well as visitors from throughout Colorado, the United States and internationally are drawn to the AHRA to enjoy whitewater boating, fishing, wildlife viewing, sightseeing, hiking, bicycling, camping and many more outdoor activities. The Pink House property would be a great showcase for Colorado Parks and Wildlife and would improve and enhance the recreation experience for commercial rafters and other user groups.

Thank you for giving this effort your utmost consideration.

Sincerely,

James D. (Jim) Wilson,
State Representative -- House District 60



Fremont County Board of Commissioners

615 Macon Ave., Room 105, Cañon City, Colorado 81212

Phone (719) 276-7300 Fax (719) 276-7312

Tim Payne
District One

Debbie Bell
District Two

Ed Norden
District Three

July 14, 2014

Capital Development Committee
Colorado General Assembly
State Capitol Building, Room 029
Denver, CO 80203

Dear Members of the Capital Development Committee:

Colorado Parks and Wildlife recently contacted us regarding the acquisition of the Pink House property in Cañon City, located at the base of the Royal Gorge. The Fremont County Board of Commissioners strongly supports this effort as a key addition to the Arkansas Headwaters Recreation Area (AHRA).

Acquiring the Pink House property would be an asset to the AHRA and contribute to public access at this location in the following ways:

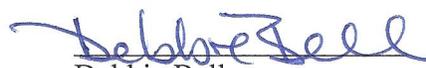
- Expand the boat ramp to reduce overcrowding.
- Provide parking for day use visitors.
- Provide a picnic site.
- Better accommodate commercial and private use during all water levels.
- Alleviate crowding downriver for river trip take-outs at the Cañon City River Park.
- Provide access to the Bureau of Land Management Grape Creek open space.
- Provide fishing access for anglers.

The economy of the Upper Arkansas River Valley is driven by tourism, most notably, river-based tourism. Local residents as well as visitors from throughout Colorado, the United States and internationally are drawn to the AHRA to enjoy whitewater boating, fishing, wildlife viewing, sightseeing, hiking, bicycling, camping, and many more outdoor activities. The Pink House property would be a great showcase for Colorado Parks and Wildlife and would improve and enhance the recreation experience for commercial rafters and other user groups.

Thank you for giving this effort your utmost consideration.

Sincerely,


Tim Payne, Chairman
District 1


Debbie Bell
District 2


Ed Norden
District 3

AHRA – Pink House Parcel, 13-042-CO

Real Estate Comparables from the Appraisal dated June 18, 2014

Sale No. 1

Date: 6/18/09

Acreage: 14.5

Location: Canon City

Indicated Value from Appraisal: \$329,000

Sale No. 2

Date: 7/29/11

Acreage: 4.53

Location: Canon City

Indicated Value from Appraisal: \$180,000

Sale No. 3

Date: 7/10/13

Acreage: 14.52

Location: Salida

Indicated Value from Appraisal: \$222,500