4511 E. 46th Avenue

Dahlia Facility

Purchase and Sale Agreement

Finance and Governance Committee
April 4, 2023
Resolution Request #23-0336

Background

- In 2019, City Council took action that required a transition away from for-profit, private organizations as community corrections providers.
- Denver Community Corrections commenced a thoughtful, responsible transition strategy in 2019:
  - Williams Street Center (GEO) closed October 2019
  - Tooley Hall (GEO) closed December 2019
  - Columbine (CoreCivic) closed June 2020
  - Ulster (CoreCivic) closed April 2021
  - Fox (CoreCivic) closed December 2021

Planning for Change

- Community Corrections Advisory Group (CCAG) was formed in late 2019. They developed 10 recommendations and two additional concepts for exploration.
- Recommendation #03: Feasibility of lease or purchase and identification of additional service providers:
  - **The City should explore the possibility of leasing or purchasing one or more CoreCivic community corrections zoned properties.**
  - The City should also explore opportunities to identify additional service providers including promising or emerging operators expressing an interest in the provision of community corrections services.

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Proposed Acquisition

- The Division of Real Estate proposes the acquisition of the Dahlia Facility located at 4511 E. 46th Avenue, Denver, Colorado.
  - Purchase Price: $8,000,000
  - Seller: Correctional Management, Inc.
  - Premises Size: Approx. 20,000 square feet (“SF”)
  - Bed Capacity: Up to 100 beds
  - Tenant Improvements include ADA restroom; Seller may construct fire life safety features if required; City will pay actual cost
  - Approximate closing in Q1 2024
  - Council District 8

Requested Council Action

RR 23-0336: Approves the Purchase and Sale Agreement with Correctional Management, Inc. to purchase a building located at 4511 E. 46th Avenue, Denver, Colorado.

Questions?