

MEMORANDUM

TO: Northglenn City Council & City Leadership
FROM: Foster Graham Milstein & Calisher (“FGMC”)
DATE: April 13, 2026
RE: HB26-1285 Admission to Mental Health Residential Facility & State Negotiations

INTRODUCTION

FGMC represents the City of Northglenn (“Northglenn”) at the Colorado State Capitol. This memorandum provides an overview of HB26-1285 Admission to Mental Health Residential Facility, including legislative discussions and negotiations with the State of Colorado.

LEGISLATIVE UPDATE

In 2022, the Colorado General Assembly authorized Mental Health Transitional Living Facilities (“MHTLFs”), sometimes referred to as Mental Health Transitional Living Homes, through HB22-1303, creating a new level of care under mounting pressure to address a growing crisis, particularly the backlog of individuals deemed incompetent to stand trial (“IST”) who were held in jails awaiting state hospital placement, as well as individuals discharged from state psychiatric hospitals. HB22-1303 was silent on whether those required to register under the Colorado Sex Offender Registration Act could be placed into MHTLFs, even if some MHTLFs were located within distance restrictions in municipalities that would otherwise prohibit sex offenders from being housed in such facilities.

At the time, the state faced a convergence of challenges: increasing legal exposure over delays in competency restoration, capacity constraints at the Colorado Mental Health Institute at Pueblo (“CMHIP”), and mounting strain on local jails and law enforcement. MHTLFs were conceived as that solution: a network of secure or semi-secure residential facilities intended to serve as a bridge between incarceration, hospitalization, and community living.

However, from the outset, the model was defined more by urgency than by clarity.

Rather than establishing a definitive population, clear clinical standards, and well-defined operational guardrails, Colorado effectively created a catch-all placement option for individuals who did not fit neatly anywhere else in the system. MHTLFs were expected to simultaneously:

- Relieve pressure on the state hospital;
- Reduce jail populations, particularly among IST individuals;
- Serve as step-down placements from acute care; and
- Function as a form of structured community-based treatment.

By trying to solve all of these problems at once, the state created a model that lacked a clear identity, and critically, clear limits.

Implementation moved rapidly after authorization in 2022, with MHTLFs opening under contract with private and nonprofit operators. That speed came at a cost. The state began placing individuals into MHTLFs before fully resolving key questions around:

- Appropriate acuity levels;
- Security standards;
- Staffing ratios and clinical capacity; and
- Lines of responsibility for safety and incident response.

As a result, MHTLFs quickly began serving a wide and complex population than what a transitional residential model is typically designed to handle. Many residents presented with significant behavioral instability, co-occurring substance use disorders, and histories of violence which resulted in an ongoing issue of violence within MHTLFs.

Since the opening of two MHTLFs in the City of Northglenn in 2023/2024, located at 11255 and 11275 Grant Drive, these homes have generated 78 calls for police service within a two-year period, substantially exceeding what is anticipated for comparable residential settings. These calls are not limited to minor issues; they include disturbances, assaults, battery, and repeated welfare checks, collectively placing a sustained and ever-increasing burden on local law enforcement resources and surrounding neighborhoods.

On January 7, 2026, a critical incident occurred in Northglenn. A violent stabbing occurred at one of the homes, and responding officers encountered a resident with a documented history of violence, including prior assaults on law enforcement, who attempted to attack an officer with a knife. This incident was not an isolated failure, but rather indicative of broader systemic deficiencies, including inadequate resident screening, insufficient on-site supervision, and an overreliance on law enforcement to manage complex behavioral health needs.

The January 7th incident and other visits to MHTLFs exposed a fundamental flaw in the model's creation:

- MHTLFs were designed as a “less restrictive” alternative but are populated with individuals who often require more structure, not less;
- There are blurred lines between treatment and containment. Facilities are neither fully clinical environments nor appropriately equipped secure settings yet are expected to operate as both; and
- That ambiguity created real consequences for staff, for surrounding communities, and for the individuals these facilities are meant to serve.

Ultimately, MHTLFs attempted to solve a capacity crisis by creating a new category of care before clearly defining its purpose or limits. Instead of resolving gaps in the continuum, the state created a program that absorbs risk from every direction - clinical, legal, and public safety - without being fully equipped to manage any of them. Until those foundational issues are addressed, MHTLFs will continue to function less as a solution, and more as a pressure valve for a system still under strain.

LEGISLATIVE UPDATE & STATE NEGOTIATIONS

Through the 2025-2026 Colorado Municipal League (“CML”) legislation initiation process, the Northglenn successfully advanced legislation addressing the placement of certain individuals in state-run mental health transitional living facilities near schools. The proposal, now introduced as HB26-1285, would prohibit MHTLFs located within 1,000 feet of a public or private K–12 school from admitting individuals who are registered sex offenders.

While we recognize this is not a comprehensive solution to all of the issues observed at the Northglenn MHTLFs and highlighted in this memorandum, we believe it represents the most urgent and critical step toward ensuring community safety, particularly for our most vulnerable residents.

The legislation is sponsored by Representative Lori Goldstein and Senator Kyle Mullica, and was introduced on February 20, 2026. It was originally assigned to the House Judiciary Committee, with the first hearing scheduled for March 18th, 2026. The House Judiciary Committee is made up of 11 members (7 Democrats and 4 Republicans). The members include:

- Representative Javier Mabrey (Chair) (D)
- Representative Michael Carter (Vice Chair), (D)
- Representative Jennifer Bacon (D)
- Representative Chad Clifford (D)
- Representative Cecelia Espenosa (D)
- Representative Ava Flanell (R)
- Representative Lorena Garcia (D)

- Representative Rebecca Keltie (R)
- Representative Scott Slaugh (R)
- Representative Matt Soper (R)
- Representative Yara Zokaie (D)

FGMC and CML are actively lobbying on this bill both before and after its introduction. Through ongoing engagement with committee lawmakers, it became clear ahead of the March committee hearing that the vote count was trending in a concerning direction.

In a pre-hearing meeting with the Department of Human Services (“DHS”) and the Governor’s Office, an alternative path forward was discussed. Specifically, stakeholders raised the possibility of extending the existing agreement that prohibits the placement of registered sex offenders in MHTLFs through a formal Memorandum of Understanding (“MOU”) with the State.

DHS and the Governor’s Office expressed interest in continuing this conversation, noting that such an approach could potentially resolve the issue without the need for further legislative action.

In coordination with Representative Goldstein, it was agreed to postpone the bill hearing to allow additional discussions to continue. This decision was made with the understanding that the State would quickly provide a draft MOU for review by the Northglenn City Council and Staff, and that the DHS would engage in ongoing meetings with Northglenn.

Negotiations have continued over the past several weeks. The Governor’s Office eventually provided an initial draft MOU, which Northglenn reviewed and returned with redlines outlining necessary protections for the community, along with additional parameters to ensure the agreement met the City’s needs. We believed these revisions were reasonable, within scope, and essential to any agreement executed with the State.

However, the State subsequently returned a revised draft with Northglenn’s proposed changes removed, bringing discussions back to a point of disagreement and impasse, both regarding whether the MOU would function as a truly bilateral agreement and whether it would carry sufficient legal weight.

Separately, the State has recently informed Northglenn that DHS, Office of Civil and Forensic Mental Health, intends to adopt an internal policy (Referrals and Admissions – 2.10.A) to extend the prohibition on admitting individuals defined in § 16-22-103, C.R.S., those required to register under the Colorado Sex Offender Registration Act, into MHTLFs. This policy was shared with the City on April 10, 2026, following a meeting with the Governor’s Office.

While we appreciate the State's willingness to take administrative action, and acknowledge it as a positive, we remain concerned that an internal policy does not provide the same level of durability or enforceability as statutory protections, especially as it relates to the prohibition on housing registered sex offenders in MHTLFs. An administrative policy as contemplated by the State can still be later repealed without legislative action.

As a result, and in light of the unresolved concerns with the MOU, the City determined it is necessary to proceed through the legislative process. This approach will both elevate awareness of the ongoing issues at these facilities and seek to codify key protections, specifically the prohibition on housing registered sex offenders in MHTLFs, into state law.

HB26-1285 is scheduled to be heard in the House Judiciary Committee on Tuesday, April 14, in Room 0107 of the Capitol basement, upon adjournment of the morning House floor session. In recent weeks, adjournment has typically occurred between approximately 10:30 a.m. and 12:00 p.m., though timing may vary depending on floor proceedings. The bill is listed second on the committee agenda. The first item is designated "for action only," meaning it will not include public testimony, and we therefore anticipate that consideration of HB26-1285 will begin shortly thereafter.