

POUDRE SCHOOL DISTRICT INSIGHT

TO: Nancy Wright, Superintendent of Schools
FROM: Mike Spearnak, Director of Planning Design and Construction
SUBJECT: Land Dedication or Payment in Lieu Agreements
DATE: January 15, 2013

Executive Summary

Poudre School District currently has school site land dedication agreements with Larimer County, the City of Fort Collins, the Town of Windsor, and the Town of Wellington. As part of these agreements, land is dedicated or a payment in lieu of land is paid based on "School District Planning Standards" adopted by the Board of Education. These standards include such factors as: student yields, enrollment capacities, site acreage requirements, and developed land costs. These standards are reviewed every two years, and were last updated in December of 2010. Based on the appraisal of developed land valuation supplied by Shannon and Associates, the 2010 update resulted in Board approval of the in-lieu payment of \$1,800 per dwelling unit being reduced to \$1,600 per dwelling unit.

In November of this year, Shannon & Associates was again asked to review current data and provide an updated opinion regarding developed land valuation. The report concluded: *"Based on this information and interviews with market participants, it is our opinion that residential land values are slowly appreciating. Based on the current information, it is reasonable to increase the existing \$89,000 "interior tract land value per acre" to \$95,000 per acre."* If approved, this will result in an increase from the current in-lieu payment of \$1,600 per dwelling unit to \$1,710 per dwelling unit. Since this review and update only happens once every two years, Staff recommends that the in-lieu payment adjustment, though minor, be approved to avoid a larger adjustment in the future.

Staff Recommendation

It is recommended that the Board of Education approve updating the School District Planning Standards and Methodology as presented in the attached Exhibits A & B for use in 2013 and 2014 for Intergovernmental Agreements concerning Land Dedications or Payments in Lieu of Land Dedications.

Exhibit A

Poudre School District

2013/14 School District Planning Standards

i. Student Yield Per Dwelling Unit¹

	Category A 1 to 4 attached dwelling units	Category B 5 or more attached dwelling units
Elementary School	0.35	½ Category A
Middle School	0.10	½ Category A
High School	0.09	½ Category A
Total	0.54 students	

ii. School Facility Enrollment Capacities²

Elementary School	525	students
Middle School	750	students
High School	1,800	students

iii. School Site Acreage Requirements²

Elementary School	15	acres
Middle School	30	acres
High School	80	acres

iv. Developed Land Value for 2012³

\$95,000

¹Average student yields for elementary, middle school, and high school based on information collected by Western Demographics, Inc. includes all residential dwelling types within the School District.

²Based on Poudre School District's current educational specifications

³Average land value based on report prepared by Shannon and Associates dated March 14, 2006 and updated August 13, 2008, December 29, 2010, and November 16, 2012. **Adjustments to occur every 2 years in the even year based on changes to the Larimer County Assessor's "Residential Lot Classification".**

Exhibit B

Poudre School District

2012/13 School District Methodology

Based on the School District Planning Standards contained in Exhibit A, calculation of land dedication or in-lieu payments uses the following procedures:

1. The student yield is determined by the number of attached dwelling units.
 (e.g. *Category A, Elementary School = 0.35*).
2. The amount of land required per student is calculated by dividing the acreage by the capacity.
 (e.g. *Elementary School = 15 acres / 525 students = 0.029*).
3. The acreage per dwelling unit is determined by multiplying the student yield by the per student land requirement.
 (e.g. *0.35 yield x 0.029 acres = 0.010*)
4. To convert the land dedication requirement into in-lieu payments, the acreage per dwelling unit is multiplied by the developed land value.
 (e.g. *0.010 acres x \$95,000 = \$950.00*)

Summary

The total land dedication or in-lieu payment per dwelling unit is:

	Category A <i>1 to 4 attached units</i>		Category B <i>5 or more attached units</i>	
	<u>Land</u>	<u>PILO</u> ¹	<u>Land</u>	<u>PILO</u> ¹
Elementary School	0.0100 acres	\$ 950	0.005 acres	\$475
Middle School	0.0040 acres	\$ 380	0.002 acres	\$190
High School	0.0040 acres	\$ 380	0.002 acres	\$190
Total	0.0180 acres	\$1,710	0.009 acres	\$855

To determine the land or in lieu payments for a proposed residential development, the per dwelling unit totals above would be multiplied by the total number of dwelling units in the development.

(e.g. *300 single family units = 0.0180 x 300 = 5.4 acre dedication or
 \$1,710 x 300 = \$513,000 PILO*)

¹ PILO means "payment-in-lieu-of" land dedication