

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 27

DATE: September 19, 2006

STAFF: Ann Turnquist

SUBJECT

First Reading of Ordinance No. 150, 2006, Authorizing Amendments to the Intergovernmental Agreements Between the City and Poudre School District and Thompson School District Pertaining to the Land Dedication and In-Lieu Fee Requirements Contained in Such Agreements.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

The proposed ordinance will not have a financial impact on the City of Fort Collins because the fees will be collected on behalf of Poudre and Thompson School Districts. Revenues from the fees will pass through City accounts and will not affect City revenue limits under Article X, Section 20.

EXECUTIVE SUMMARY

Since 1998, the City of Fort Collins has collected a fee-in-lieu of land dedication for both Poudre School District and Thompson School District. These fees allow a residential developer to pay a school site fee to the School Districts rather than to dedicate a parcel of land to the District for development of future schools. The ability of the school districts to require land dedication is provided under State of Colorado Statute.

The last time the amount of these fees was adjusted was in 2001. This ordinance will change the amount of the fees for each district and also modifies the fee structure to reduce the cost in payments for larger, multi-family developments. The school districts requested a substantial increase to the fees in reaction to substantial increases in the cost of securing appropriate school sites.

BACKGROUND

In April, 1998, the City of Fort Collins and Thompson and Poudre School Districts entered into Intergovernmental Agreements regarding land dedication for new developments, including a provision for fees-in-lieu of land dedication. This system of land dedication and fees-in-lieu of dedication has been in place for eight years, and is now in need of review. The school districts have asked that the amount of the fees be increased to reflect both the increasing cost of land and revised

school site standards. The Districts have also asked to modify the structure of the fees to create fee categories for one to four residential units and five or more residential units.

Fees are based on a number of factors including school site size, student population projections, enrollment capacities of each type of school (elementary, junior high and high schools), and the cost of developed land within the school district. While the same factors are included for both Poudre and Thompson Districts, the resulting fee calculations are different because each of the input factors are different between the districts. Site sizes and enrollment capacities are set by School District policy and the cost of developed land is somewhat lower within the Thompson School District boundaries than in the Poudre School District boundaries.

The effect of the proposed change in per dwelling unit costs would be as follows:

Poudre School District:

Fee per dwelling unit:	Current Fee	2007 Fee
1-4 attached dwelling units	\$763	\$1,800
5 or more attached dwelling units	\$763	\$ 900

Thompson School District

Fee per dwelling unit:	Current Fee	2007 Fee
1-4 attached dwelling units	\$688	\$1,342
5 or more attached dwelling units	\$688	\$946

The City's Intergovernmental Agreements with Poudre School District and Thompson School District allow for periodic updates to the fees and land dedication requirements. The agreements also require that the City conduct a public hearing prior to any changes in the fee or land requirement. Each of the School Boards has reviewed its methodology for this program and requested that the City Council approve these revisions. The detailed methodology for calculating the fees are provided in Exhibits A and B of the Ordinance.

The increases to the fees are substantial and reflect the significant growth in land costs and the cost of infrastructure and construction of utilities over the past five years. Both School Districts have acknowledged that such a significant increase in fees is not desirable, both because of the impact on builders who need predictable costs and the loss of revenue to the School Districts for failing to capture the increased cost of acquiring school sites. Both districts have committed to updating the fees on a more regular basis in the future and to using an index of construction costs to make fee increases more predictable.

COMMUNITY INPUT:

Over the past several months, the School Districts have worked with the Homebuilders Association (HBA) to review the proposed fee structure and seek opportunities to minimize the impact of a substantial fee increase on residential builders within Larimer County. Issues with the fee have been

raised by the HBA as the school districts have sought to increase the fees in Fort Collins, Loveland, and Larimer County and to institute the fee for the first time in the Town of Wellington. The HBA opposes the fees for several reasons, including its belief that the fees are calculated inappropriately, that the school districts have other school sites in their inventory that they should consider selling before assessing a fee-in-lieu of future land dedications and that the size of school sites is inappropriate. A detailed description of the HBA's concerns is included in Attachment 1.

Poudre and Thompson School Districts have both worked to address the concerns of the HBA. They have reviewed the methodology used for developing the fees and outlined the authority that their respective elected School Boards have regarding policies for school site sizes and class sizes. Poudre School District has offered to phase-in its fee increase over twelve months, with an increase to \$1,200 effective for the next year, and the final increase to \$1,800 a year later. The HBA stated that it couldn't support an increase to the \$1,800 level, even with a phased in approach, therefore PSD is asking City Council to approve the fee increase to \$1,800 effective 90 days after the adoption of the IGA amendments (January 1, 2007).

Written responses to the specific concerns of the HBA from both Poudre and Thompson School Districts are included as Attachment 2 and 3.

In addition to the Districts' work with the Homebuilders Association, Thompson School District staff met with several of the major developers that are building within the District boundaries to develop cost estimates for land. These discussions guided their calculation of the cost of future school site acquisitions. Both Districts have also presented the proposed amendments to their respective School Boards at a public meeting and have received Board approval for the changes to the Payment-in-Lieu of Land dedication fee schedule.

Thompson School District has encouraged a member of the HBA to volunteer to participate on its existing community task force which is charged with reviewing the districts methodologies and calculations so that the HBA can have input on this issue in future years.

ATTACHMENTS

1. Letter from the Home Builders Association of Northern Colorado to Poudre School District and Thompson School District, dated August 11, 2006.
2. Letter from Poudre School District to the Home Builders Association of Northern Colorado, dated August 16, 2006.
3. Letter from Thompson School District to the Home Builders Association of Northern Colorado, dated September 6, 2006.



P.O. 669 • Windsor, CO 80550
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www.hbanco.com

Mr. Ed Holder, Poudre School District
Ms. Kate Browne, Thompson School District

August 11, 2006

Dear Mr. Holder and Ms. Browne,

We sincerely appreciate Poudre School District, Thompson School District, the Town of Wellington, the City of Fort Collins and Larimer County respecting the local business people of the Home Builders Association. We are all residents concerned about the education and future of our children. As an industry that consistently employs 15% of the county's workforce, which keeps revenue in our local economy, we have a strong interest in maintaining the high quality of education our communities have become accustomed to.

It is the desire of the Home Builders Association of Northern Colorado to reach agreement with Poudre School District on a reasonable fee amount for the Payment-In-Lieu-Of (PILO) included in the Intergovernmental Agreement with the City of Fort Collins and in the Land Use Code for Larimer County. It is not our intent, at this time, to conduct an independent review of the appraisal report; rather we have sought the advice and expertise of our members.

While we do not philosophically agree with the methodology, for now, we are willing to accept the numbers presented by Poudre School District. We do question the values used in determining the numbers, but have no desire to continue the debate.

Our members have grave concerns of the values used in the calculation of the PILO amount, and wish to publicly present our reservations. We have outlined our justification for questioning the values, and described our reservations. Those reservations are:

1. **Student Generation Rate:** Using a number representing the number of children in new homes in new subdivisions is not accurate and overstates the impact of new homes. The fact is that the majority of new homebuyers are already residents of the District, and because their family purchases a new home does not necessarily increase enrollment. For example, for fiscal year-end June 30, 2005, the District increased in population by 5,700 people, but the student base increased only 69.
2. **Site Size for Schools:** While the school board and district have decided on the ideal size for new school sites, this makes the assumption that the children in most new homes will attend schools of that size. As Ft. Collins is a "school of choice" municipality, students in new subdivisions may or may not attend the newly built school. Parents have the ability to choose curriculums based on their children's needs. While not all cities and towns in Poudre School District are "school of choice," that trend, along with charter schools, is becoming more prevalent. Therefore, assuming students generated within a particular subdivision will attend the newly built school is inaccurate. The issue of maintenance and irrigation of such large school sites, and the amount of tap fees has also not been addressed. With the cost of water, sites of 30 acres or 80 acres will certainly increase the cost to the District, which does not lend to accountability to taxpayers.

3. **PILO Amount:** We believe a consistent fee district-wide to be in the best interest of the school district, as well as the construction industry. At this time, we propose a \$1,200 fee, for a period of no longer than three years, be charged in Ft. Collins and Larimer County, acknowledging the Wellington IGA has not been established. It is the intent of the HBA to take the lead on forming a community task force, in cooperation with both Poudre School District and Thompson School District, to review the methodology and calculations. We would like to commence with that group as soon as possible, forming it from volunteers who can provide valuable input on land values, education, real estate market conditions, school construction, population trends, etc. to more accurately devise a student projection and fee schedule. Finally, we ask that this PILO fee continue to be collected at the time of building permit issuance.
4. **Current Assets Owned by PSD:** There are various pieces of land currently owned by Poudre School District that have been deemed by the District unsuitable for school sites. We suggest those parcels of land be sold to generate revenue for the district's construction needs. The Mountain Vista site might be retained for a future high school site, which will be needed in the Wellington/North Fort Collins area. If land values, as determined by the Poudre School District and Board are valid, those pieces of land should bring in millions to put toward future schools.
5. **Fee Imposed Through Ordinance Adoption:** Pursuant to Colorado Revised Statutes, Title 29, Section 20.104.5, we request the fee schedule and IGA be in Ordinance form so as to prompt a public hearing on any future revisions to all current and proposed IGAs between and within both Poudre School District and Thompson School District.

The HBA recognizes that IGAs should be reviewed, and if necessary amended, within reasonable time frames, and we suggest a review period of every three years. Northern Colorado has seen a slowing in population growth, and anticipates that to continue over the next three years. However, by forming the community task force with PSD and TSD, together we can more accurately respond to the future needs of our children. Perhaps the task force will find that tying the PILO to a particular index will bring more predictability of funding for land acquisition and to builders considering construction financing. Our final suggestion would be to implement the \$1,200 PILO at least 90 days after the date of adoption by the City of Fort Collins and Larimer County.

The Home Builders Association appreciates having the time to respond to the Intergovernmental Agreements and proposed PILO fee schedule. It is our intent to work cooperatively with all entities involved now and in the future. Open communication with school districts and education boards, as well as local government provides HBA members, their families, and their children a stronger foundation for the future, and we thank all for consideration to our recommendations.

Sincerely,

Michelle Jacobs

Michelle Jacobs
Director of Community Affairs
Home Builders Association of Northern Colorado

Cc:

Darin Atteberry, Ft. Collins City Manager
Ann Turnquist, Council Policy Manager
Rob Helmick, Larimer County Principal Planner
Brad March, Town Attorney for Town of Wellington



August 16, 2006

Home Builders Association of Northern Colorado
 c/o Michelle Jacobs, Director of Community Affairs
 P.O. Box 669
 Windsor, CO 80550
 Via Email

Re: Response to letter of August 11, 2006

Dear Ms. Jacobs,

Thank you for taking the time to express the Home Builders Associations (HBA) concerns in writing. After reviewing your letter of August 11, 2006, it appears that we are close to resolving most issues.

However, it appears that the HBA's proposed fee of \$1,200 is arbitrary as compared to the District's data driven methodology. As we have previously stated, the District is confident in its proposed methodology and associated payment-in-lieu of (PILO) land values. Due to the fact that this methodology has not been updated in the past five years, the District acknowledges the proposed PILO amount is a significant increase that the HBA could not have anticipated. The District is willing to entertain a phased implementation approach if it does not place an administrative hardship on our IGA partners. The District suggests that a PILO of \$1,200 would be in effect for one year, and then be increased to the \$1,800 level in the following year. After that, all IGA's will be reviewed and update every other year beginning in 2008.

We would also like to respond to each of the reservations in your letter as follows:

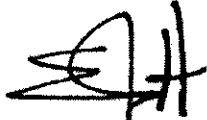
1. **Student Growth Rate:** Even though the District is experiencing an overall slow growth rate, we are seeing a shift in our enrollment within the District to newer neighborhoods. With the District's commitment to neighborhood schools, the need to respond to these fast growing subdivisions has been significant. Therefore, it is appropriate to look at student yields from these "high-growth" areas as a basis for determining their impact on the District.
2. **Site Size for Schools:** Your statement about "schools of choice" is partially correct. All of PSD schools are open to "schools of choice" given available space. About 30% of all students in PSD have chosen not to attend their neighborhood school. In the current methodology, the site sizes have actually been reduced at the secondary level to reflect the District's most recently constructed facilities. Requirements for off-street parking, storm water detention, athletic facilities, and community use are all factors that are taken into consideration when determining school site size. The District is very aware of the costs associated with maintaining sites of this size. In fact, the District has received national recognition for its design of "High Performance Schools" which includes low water landscaping. Fossil Ridge High School was recently awarded the Leadership in Energy and Environmental Design (LEED) Silver Certification, and is the first high school of its size to receive such a certification in Colorado, and third in the nation. The District is very accountable to its taxpayers.

Planning, Design & Construction
 2445 LaPorte Avenue Fort Collins, CO 80521
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3. **PILO Amount:** We are glad you agree with our approach of establishing a district wide PILO philosophy, and we understand the need to "phase" it in. However, we feel a three-year period is not acceptable. We believe your suggested task force, as proposed, far exceeds the scope of this discussion. However, input from the HBA would be welcomed as we look to update the District's adopted methodology in 2008.
4. **Current Assets Owned by PSD:** All of the vacant land currently in the Districts inventory was purchased or dedicated prior to the implementation of our IGA's. Since that time, PILO monies have been used to purchase the following sites: Zach ES, FRHS, and Kinard JH. The Board of Education is well aware of the value of its existing assets, and is actively managing them in the best interest of the taxpayers.
5. **Fee Imposed Through Ordinance Adoption:** To the best of my knowledge, appropriate City Ordinance followed each IGA approval and update. It is not our intent to change this process.

The majority of the HBA's concerns appear to be directed at PSD's proposed PILO of \$1,800. Assuming there is no objection to Thompson's proposed increase to \$1,382 and PSD's phased implementation as proposed above, we would like to move forward as soon as possible with adoption by the City and County, and hope the HBA's support for our IGA would be forthcoming.

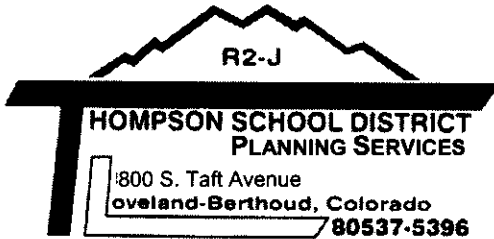
Sincerely,
POUDRE SCHOOL DISTRICT



Ed Holder
Construction Manager
Planning, Design & Construction

xc:
Darin Atteberry, Ft. Collins City Manager
Ann Turnquist, Council Policy Manager
Rob Helmick, Larimer County Principle Planner
Brad March, Town Attorney for Town of Wellington

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(970) 613-5081, Operational Services,
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September 6, 2006

Michelle Jacobs, Director of Community Affairs
Home Builders Association of Northern Colorado
PO 669 – Windsor, Colorado 80550

Dear Michelle,

Thank you for giving me a copy of your August 11th letter when I came to present to your Board yesterday. I hope after the presentation you understand why I am responding to the comments and concerns in your letter as follows:

1. “We do question the values used in determining the numbers, but have no desire to continue the debate.” *The district is required to establish a rational nexus (a direct link between cause and need) for our PILO request. This does require being able to site specific values and exactly how they were arrived at. Any disagreement must also do the same, line-by-line. To disagree with results without taking this step-by-step process destroys the intent and requirement for a rational nexus.*
2. “...a new home does not necessarily increase enrollment...” *You have hit on the key issue with any type of enrollment projection – the population is very fluid and mobile / no two homes or developments act the same – so all calculations must be based on averages over a period of time. One of the biggest errors made by those than don’t study the historical detail and rely on only looking at the bottom line is that cohort growth is often hidden by a cohort group exiting a school that is larger than the cohort group entering a school while the groups in between are all growing. Grade-to-grade differences are a given – when put into graphs it looks like waves rolling into shore with measurable peaks and valleys that remain relatively proportional as they move forward year-by-year. As I mentioned in my presentation, the State Demographer is indicating that by 2010 the age 5-17 population will increase greatly (even though they could be a smaller percentage of the total overall increase in population).*
3. “While the school board and district have decided on the ideal size for new school sites ...” *The school boards are elected and charged with establishing all policies and regulations governing a school district meaning they have the authority to make these decisions. Through their votes, the communities and citizens served by each district show their agreement (or disagreement) of decisions. All board meetings are open and have a place on their agenda for ‘public comment’. School sizes, class sizes, and site sizes are grand philosophical discussions and have been addressed differently by each local district within the state. In fact, not all states address this the same – Colorado has supported decision making at the local level, as much as possible, while other states have the same decision making occurring at the state level.*
4. “...we propose a \$1,200 fee, for a period of no longer than three years ...” *The district realizes the PILO increase being requested is large and that that is caused by not reviewing the very real costs for five years. All the developers I talked with concurred that we had taken too long*

and they all suggested that the infrastructure costs of the developed land value be tied to a national index and be annually adjusted to mitigate the magnitude of future adjustments. Exhibit A for our request does have that footnote and would become a part of an annual report to each jurisdiction. Locking any amount for three years would just repeat the problems that exist with the current requested amendments. As to the amount, I refer back to point "1." of this letter and the requirement to establish a documented and measurable rational nexus.

5. *"It is the intent of the HBA to take the lead on forming a community task force ... to review the methodology and calculations." The Thompson R2-J School District already has a community task force, in existence for over 10 years, that is charged with this task. As such, their membership composition has been specified to guarantee representation for all community groups so as not to be considered "self-serving" or "special interest". I currently have a vacancy for someone living in Director District A and will attach an application and information for your use. There is one voting position that must be a member of the "developer, real estate community" and it is currently filled by Mike Daley, AIA. Past members representing this group have been Scott Bray, Christine Fielder, and Steve McMillan.*
6. *"...we ask that this PILO fee continue to be collected at the time of building permit issuance." The only jurisdiction I know of that collects all fees at the time of the first building permit is Windsor. The district has had no problem, again because of the rational nexus requirement, with PILO being collected with each building permit issuance. Because this adds to their processing costs, the jurisdictions are charging an additional administrative fee. The only requirement the district has is that the amount paid be the 'current amount' at the time of payment meaning that if an amendment occurs after a development's final approval and before a building permit is issued that the amount is that of the amendment in effect.*
7. *"... we request that the fee schedule and IGA be in Ordinance form ..." In reviewing my records on the origination and past amendments related to the PILO IGA's, they have been tied to ordinances. As an example, the last amendment to the Fort Collins IGA was tied to an ordinance that was passed on April 17, 2001. Exactly what process is used is at the discretion of the jurisdiction. As far as public hearings go, the current change was presented to my Board in February at their regularly scheduled Board meeting (open to the public) and was voted on in March at another regularly scheduled Board meeting. This was also reported in the Reporter Herald in an article on agenda items coming before the Board.*

Michelle, I fully understand the concerns of HBA, but I will be asking Rob and Ann to bring the District's requested amendments forward as originally presented. I am most concerned that the issues for Wellington, which is not even served by my district, are being used to stall this process. The City of Loveland passed the requested amendment in April, has gone through a 90-day implementation period, and is now levying the new PILO amounts. My concern is re-establishing parity between all the jurisdictions served by my district as quickly and efficiently as possible.

Sincerely,



Kate Browne, Planning Specialist
Thompson R2-J School District

CC: Darin Atteberry, Ft. Collins City Manager
Ann Turnquist, Council Policy Manager
Rob Helmick, Larimer County Principal Planner
Brad March, Town Attorney for Town of Wellington
Ed Holder, Poudre School District

ORDINANCE NO. 150, 2006
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING AMENDMENTS TO THE INTERGOVERNMENTAL
AGREEMENTS BETWEEN THE CITY AND POUFRE SCHOOL DISTRICT
AND THOMPSON SCHOOL DISTRICT PERTAINING TO THE
LAND DEDICATION AND IN-LIEU FEE REQUIREMENTS
CONTAINED IN SUCH AGREEMENTS

WHEREAS, on April 21, 1998, the City entered into an intergovernmental agreement with the Poudre School District, which agreement provides for the dedication of land by developers in the City to said school district for the construction of new schools needed to offset the impacts of their development, or, in the alternative, for the payment of a fee in-lieu of such dedication; and

WHEREAS, on April 21, 1998, the City entered into a similar intergovernmental agreement with the Thompson School District; and

WHEREAS, these agreements are collectively referred to below as the "School Agreements;" and

WHEREAS, the requirements imposed upon developers pursuant to the School Agreements have been embodied in the Chapter 7.5 of the City Code; and

WHEREAS, Section 7.5-48(d) of the City Code states, in essence, that the amount of the in-lieu fee to be paid by developers is to be established by the School Agreements and is to be equal to the fair market value of the property that could otherwise be required to be reserved for future dedication to the school district; and

WHEREAS, Section 7.5-51(b) of the City Code calls for review by the City Council, at least every two years, of the land dedication and in-lieu fee schedule requirements attached to the School Agreements as Exhibit "A" (pertaining to school district planning standards) and Exhibit "B" (methodology for calculating the in-lieu fee); and

WHEREAS, Section 1 of each of the School Agreements states that the school planning standards (Exhibit "A") should be reviewed annually by the school district and the City and adjusted by mutual agreement as needed, and paragraph 5(a) of such agreements states that both the standards and methodology are to be updated annually; and

WHEREAS, both of the School Agreements, as well as Section 7.5-51(b) of the City Code, require that a public hearing be held by the City before any changes in the amount of the in-lieu fee; and

WHEREAS, both the Poudre School District and the Thompson School District have adopted proposed revisions to Exhibits "A" and "B" to their respective agreements with the City and have requested that the City Council approve the same; and

WHEREAS, after a public hearing regarding the proposed changes, the City Council believes that the proposed revisions to said Exhibits "A" and "B" are in the best interests of the City.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the amendments to Exhibits "A" and "B" of the Poudre School District Agreement, as shown on Attachment 1, attached hereto and incorporated herein by this reference, are hereby approved by the City Council.

Section 2. That the amendments to Exhibits "A" and "B" of the Thompson School District Agreement, as shown on Attachment 2, attached hereto and incorporated herein by this reference, are hereby approved by the City Council.

Section 3. That the Mayor is hereby authorized to execute, on behalf of the City, addenda to the School Agreements reflecting the amendments authorized by this Ordinance.

Introduced, considered favorably on first reading, and ordered published this 19th day of September, A.D. 2006, and to be presented for final passage on the 3rd day of October, A.D. 2006.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 3rd day of October, A.D. 2006.

Mayor

ATTEST:

City Clerk

Exhibit A

**Poudre School District
School District Planning Standards**

i. Student Yield Per Dwelling Unit¹

	Category A <i>1 to 4 attached dwelling units</i>	Category B <i>5 or more attached dwelling units</i>
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	½ Category A

ii. School Facility Enrollment Capacities²

Elementary School	525 students
Junior High 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 2006³

\$100,000

¹Average student yields for elementary, junior high 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 Site Selection Criteria.

³Average land value based on report prepared by Shannon and Associates dated March 14, 2006. 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
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 \$100,000 = \$1,000.00)

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	\$ 1,000	0.005 acres	\$500
Middle School	0.0040 acres	\$ 400	0.002 acres	\$200
High School	0.0040 acres	\$ 400	0.002 acres	\$200
Total	0.0180 acres	\$1,800	0.009 acres	\$900

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
\$1,800 x 300 = \$540,000 PILO)*

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

Exhibit A

**Thompson School District R2-J
Loveland, Colorado
School District Planning Standards**

v. Student Yield Per Dwelling Unit¹

	Category A <i>1 to 4 attached dwelling units</i>	Category B <i>5 or more attached dwelling units</i>
Elementary School	0.19	0.15
Middle School	0.12	0.07
High School	0.16	0.11
Total	0.47 students	0.33 students

vi. School Facility Enrollment Capacities²

Elementary School	550 students
Middle School	900 students
High School	1,500 students

vii. School Site Acreage Requirements²

Elementary School	12 acres
Middle School	30 acres
High School	45 acres

viii. Developed Land Value for 2006³

\$106,325

¹Average student yields for elementary, middle school, and high school based on Census 2000 and District's October 1, 2000 enrollment report. Includes all residential dwelling types within the School District.

²Based on Thompson School District Board of Education Policy FBC and Regulation FBC-R.

³Average land value per acre of \$38,170 plus raw water requirements and infrastructure costs per acre (utilities stubbed to the site, 1/2 of street development costs for a site, and overlot grading) of \$68,155. Details of calculations and sources of base numbers available from the Planning Services office of the District. **Annual adjustments to occur based on Dodge Index changes.**

Exhibit B

**Thompson School District R2-J
Loveland, Colorado
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:

5. The student yield is determined by the number of attached dwelling units.
(e.g. Category A, middle school = 0.12).
6. The amount of land required per student is calculated by dividing the acreage by the capacity.
(e.g. Middle School = 30 acres / 900 students = 0.0333).
7. The acreage per dwelling unit is determined by multiplying the student yield by the per student land requirement.
(e.g. 0.12 yield x 0.0333 acres = 0.0040)
8. To convert the land dedication requirement into in-lieu payments, the acreage per dwelling unit is multiplied by the developed land value.
(e.g. 0.0040 acres x \$106,325 = \$425.30)

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	0.0042 acres	\$ 447	0.0033 acres	\$351
Middle School	0.0040 acres	\$ 425	0.0023 acres	\$245
High School	0.0048 acres	\$ 510	0.0032 acres	\$350
Total	0.0130 acres	\$1,382	0.0089 acres	\$946

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.

$$(e.g. 300 \text{ single family units} = 0.0130 \times 300 = 3.9 \text{ acre dedication or } \$1,382 \times 300 = \$414,600 \text{ PILO})$$

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