

Cash in Lieu of Land Dedication Discussion

**27J Schools
City of Commerce City
City Council**

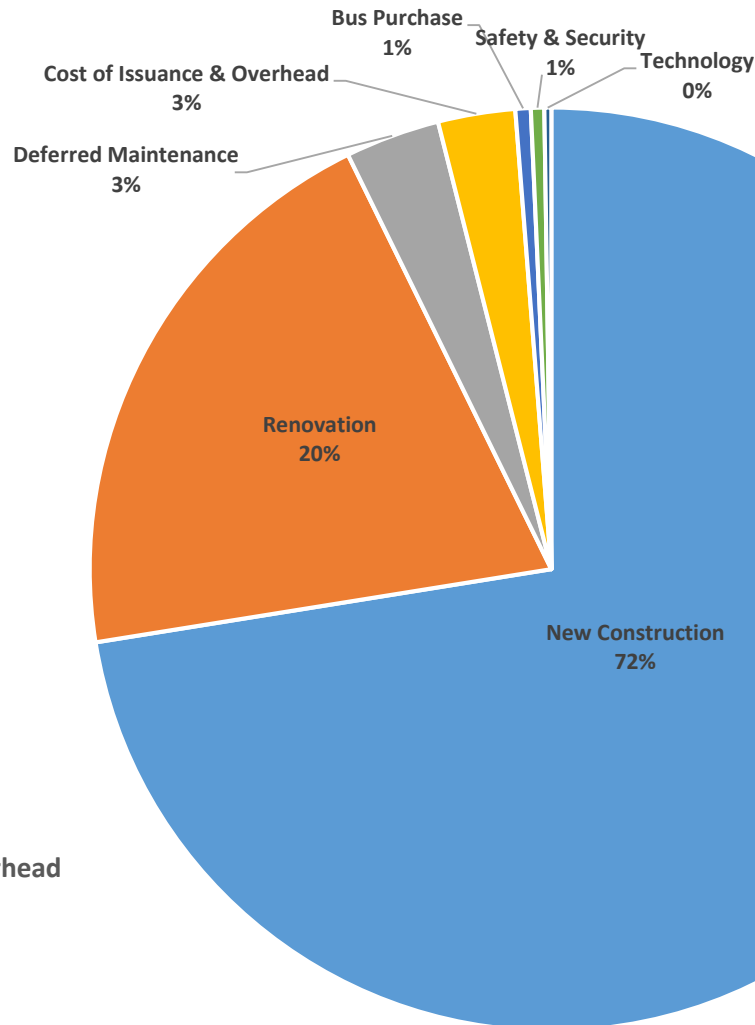
January 13, 2020

2015 Proposed Bond Projects

Facility Project	Estimated Cost	Complete
Brantner Expansion	\$6,650,000	✓
Bromley East Expansion	\$4,350,000	✓
Eagle Ridge Expansion	\$225,000	✓
Reunion Elementary	\$22,000,000	✓
Reunion Modular	\$954,000	✓
Vikan Expansion	\$6,752,000	✓
Riverdale Ridge High School	\$89,500,000	✓
Northeast Expansion	\$10,000,000	✓
OTMS Expansion	\$7,170,000	✓
BHA Renovation	\$2,167,000	✓
BHS Renovation	\$6,160,000	✓
Quist Middle School	\$55,000,000	✓
ES #13 (north plan area)	\$25,000,000	
Subtotal	\$235,928,000	
Deferred Maintenance	\$10,500,000	
Safety and Security	\$1,572,000	
Total	\$248,000,000	

2015 Bond Expenditures

Total Proceeds \$295,972,992

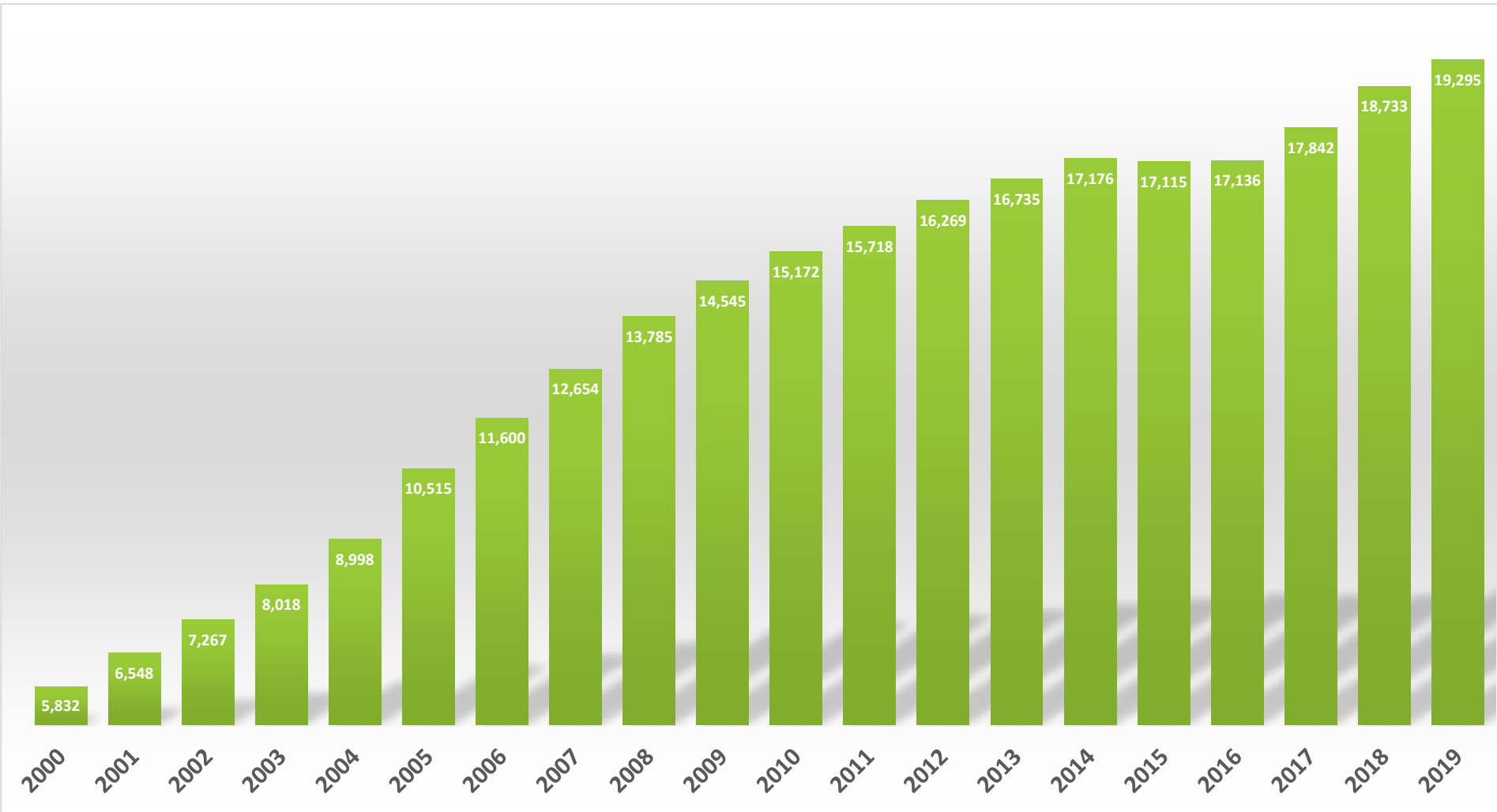


- New Construction
- Renovation
- Deferred Maintenance
- Cost of Issuance & Overhead
- Bus Purchase
- Safety & Security
- Technology

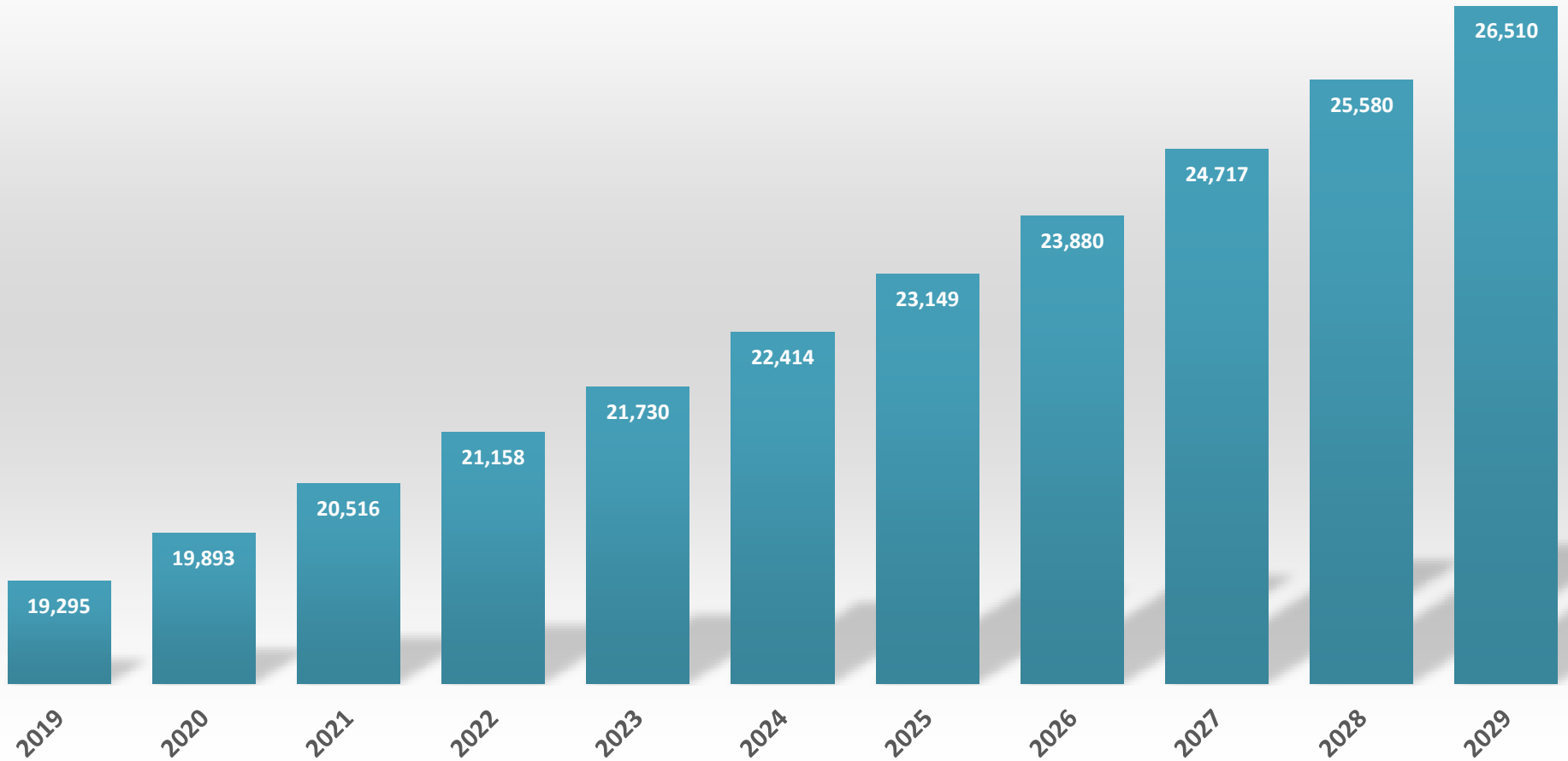
As of June 10, 2019

New Construction	\$156,718,484
Renovation	43,845,417
Deferred Maintenance	7,164,317
Cost of Issuance & Overhead	5,843,511
Bus Purchase	1,162,020
Safety & Security	1,012,046
Technology	<u>523,448</u>
Total	\$216,269,243

2000-2019 PK-12 Enrollment



Projected PK-12 Enrollment



10-year Projections by School

School	Site Capacity	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
BLARC PK	110	80	84	84	84	84	84	84	84	84	84	84
Headstart PK	48	47	47	47	47	47	47	47	47	47	47	47
Brantner	792	693	723	769	820	876	958	1035	1116	1194	1240	1252
Henderson	656	362	318	321	333	374	419	459	521	623	744	883
North	491	289	280	280	276	273	268	265	261	261	261	258
Northeast	784	584	548	533	537	534	513	519	546	561	577	598
Pennock	875	643	611	643	681	713	741	757	758	755	752	748
Reunion	795	724	726	775	861	903	910	946	982	995	997	998
Second Creek	889	750	782	839	903	956	1020	1032	1051	1087	1120	1165
South	607	445	416	404	401	389	391	400	409	412	417	422
Southeast	767	490	462	456	457	475	501	539	577	618	654	689
Thimmig	889	641	612	592	592	577	610	621	631	648	653	649
Turnberry	861	711	737	790	839	910	934	985	1054	1130	1204	1275
West Ridge	889	747	737	801	866	944	1021	1085	1156	1222	1281	1337
ES #13	695	0	475	487	513	525	538	570	593	616	635	651
Elementary Totals	10,148	7,206	7,558	7,821	8,210	8,580	8,955	9,344	9,786	10,253	10,666	11,056

10-year Projections by School

School	Site Capacity	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Elementary Totals	10,148	7,206	7,558	7,821	8,210	8,580	8,955	9,344	9,786	10,253	10,666	11,056
Overland Trail	665	619	627	682	734	810	838	882	888	873	892	911
Prairie View Middle	825	611	643	648	644	632	627	626	646	648	658	696
Quist	825	766	842	866	899	899	944	1012	1113	1248	1363	1506
Stuart	825	791	819	834	818	864	962	1120	1190	1214	1209	1217
Vikan	731	641	663	646	571	549	530	523	530	559	585	604
Middle School Totals	3,871	3,428	3,594	3,676	3,666	3,754	3,901	4,163	4,367	4,542	4,707	4,934
Brighton	1771	1816	1788	1856	1909	1850	1936	1948	1977	2060	2057	2113
Prairie View High	1901	1,771	1,720	1,740	1,845	1916	1942	1950	1995	2099	2256	2390
Riverdale Ridge	1756	889	1,232	1,433	1,556	1,686	1,754	1818	1830	1837	1968	2091
Innovations & Options	419	293	274	279	282	278	279	280	279	279	279	279
High Schools Totals	5,847	4,769	5,014	5,308	5,592	5,730	5,911	5,996	6,081	6,275	6,560	6,873
District Managed Totals	19,866	15,403	16,166	16,805	17,468	18,064	18,767	19,503	20,234	21,070	21,933	22,863
Charter Schools	4,040	3,892	3,727	3,711	3,690	3,666	3,646	3,646	3,646	3,646	3,646	3,646
Total District	23,906	19,295	19,893	20,516	21,158	21,730	22,414	23,149	23,880	24,717	25,580	26,510

Future Bond Election – 2020?

Project (likely location)	Estimated Cost	Opening Date	Estimated Construction Start
ES #14 (south plan area - Capstone)	n/a	2021	n/a
STEAD (south - charter)	n/a	2021	n/a
CTE (three annexes)	\$81,000,000	2022	2021
ES #15 (west plan area)	\$30,600,000	2022	2021
ES #16 (south plan area)	\$32,800,000	2023	2022
MS #6 (west plan area)	\$82,500,000	2023	2022
Deferred Maintenance	\$30,000,000	n/a	2021
Safety and Security	\$10,000,000	n/a	2021
Technology	\$10,000,000	n/a	2021
Total	\$276,900,000		
Estimated Savings for ES #14	\$35,100,000		
	\$312,000,000		

Cash-in-Lieu of Land Dedication

**C.R.S. 22-54-102 (III) grants
authority to local governments
to require the reservation or
dedication of sites for schools
or cash-in-lieu.**

Cash-in-Lieu Summary:

- **Cash-in-lieu is only required when there is no dedication of land.**
- **Often, the required dedication is granted in actual land form.**
- **If not, developers and 27J agree upon a cash-in-lieu amount based on the current land value established by each of the local government entities.**
- **In all cases, cash-in-lieu payments may only be used for the purchase of land and/or related activities.**

Cash-in-Lieu Summary (cont.):

- **Local governmental entities and 27J have historically experienced great success in cooperating to meet school site needs.**
- **In recent years, all elementary school sites have been acquired via an actual land dedication.**
- **The local demand for land for development and the resulting difficulty in dedicating sites large enough for middle and high schools have required that 27J purchase sites utilizing cash-in-lieu funds.**
- **The cost to acquire land exceeds the current cash-in-lieu land values established in 2000.**

Summary of Cash-in-Lieu by School District

District/Jurisdiction	Per Acre Value
Adams 12/Thornton	\$130,649
St. Vrain Valley/Longmont	\$100,092
Thompson Valley	\$90,000
St. Vrain Valley/Dacono & Weld County	\$80,117
Boulder Valley/Erie	\$80,117
Adams 12/Westminster	\$60,000
27J/Brighton	\$35,000
27J/Thornton	\$35,000
27J/Commerce City	\$32,077
Average All	\$71,450
Average w/o 27J	\$90,163

27J Cash-in-Lieu Calculation

A. Student Generation Estimates

Dwelling Unit Type	Number of DUs	Elementary		Middle		Senior		Total	
		Student Generation Rate	Number of Students	Student Generation Rate	Number of Students	Student Generation Rate	Number of Students	Student Generation Rate	Total Students
SFD	500	0.283	142	0.119	60	0.14	70	0.542	271
SFA/TH/C	150	0.148	22	0.093	14	0.085	13	0.326	49
Apartment	96	0.186	18	0.083	8	0.096	9	0.365	35
Mobile Home	0	0.457	0	0.375	0	0.322	0	1.154	0
Total	746		182		81		92		355

- 1) Dwelling unit counts by housing type are obtained during the referral process.
- 2) The unit counts are multiplied by our student generation rate by school level to arrive at the estimated number of students that we expect to impact our school facilities.

Cash-in-Lieu Calculation (cont.)

B. Facilities Requirements

School Type	Students (Part A)	Project Requirements		Proportion of Facility Capacity	Acreage	Land Cost per Acre	Cash-in-lieu Request
		Facility Capacity	Site Size (acres)				
Elementary	182	675	12	0.27	3.23	\$35,000	\$112,968
Middle	81	850	25	0.10	2.39	\$35,000	\$83,813
Senior	92	1800	60	0.05	3.07	\$35,000	\$107,294
Total	355				8.69		\$304,074

Land Dedication Provided	0.00		
Remaining Land Needed	8.69	\$35,000	\$304,074

- 1) The number of students generated is divided by the facility capacity to arrive at the proportion of facility capacity, which is multiplied by the site size to arrive at the acreage necessary to house those students.
- 2) The acreage number is multiplied by the land cost per acre to determine the cash-in-lieu request.

Cash-in-Lieu of Land Dedication

The current land value per acre used in cash-in-lieu calculation by jurisdiction as of 2000:

- **City of Brighton \$35,000**
- **City of Commerce City \$32,077**
- **City of Thornton \$35,000**

Land Sales in District *

Jurisdiction	Record	Property	Type	Date	Value	Acres	\$/Acre
Brighton	R0071214	Peoria & 119th Ave	Agricultural	10/06/17	\$700,000	11.0000	\$63,636
Brighton	R0147917	Corrigan Subdivision	Commercial	11/15/2017	\$1,915,000	25.1730	\$76,074
Brighton	R0179136-7	Prairie Center	Residential	10/23/2017	\$377,821	70.0000	\$5,397
Brighton	R0156301	Brighton East Farms F3	Agricultural	10/18/2017	\$275,000	9.2946	\$29,587
Commerce City	R0080145	NW of King Soopers	Agricultural	10/13/2017	\$1,000,000	19.8870	\$50,284
Brighton	R0164587	Bromley Park F102	Industrial	8/24/2017	\$8,262,600	122.3700	\$67,521
Thornton	R0147019	The Villages at Riverdale F1	Residential	4/27/2017	\$870,000	9.9164	\$87,733
Brighton	R0187324	Village at Southgate	Residential	4/10/2017	\$4,000,000	39.5900	\$101,036
Thornton	R0165658	Riverdale Ranch	Residential	12/23/2016	\$2,000,000	31.1919	\$64,119
Commerce City	R0190789	Reunion-W of King Soopers	Agricultural	11/22/2016	\$6,600,000	110.3984	\$59,783
District Average							\$60,517

Sales not included in calculation above:

Commerce City	R0194277	Dia Tech Center F2	Commercial	9/11/2017	\$3,755,232	24.9800	\$150,330
Commerce City	R0181278	Dia Tech Center F6	Commercial	4/4/2018	\$5,821,500	38.8100	\$150,000

*Sales of vacant land capable of accommodating a school within 27J Schools district boundary within the last three years

Sources: Adams County and Metrostudy

School Site Purchases

Jurisdiction	School	Date	Value	Acres	\$/Acre
Brighton	Prairie View Middle/High School	2003	\$1,400,000	76.0874	\$18,400
Commerce City	Stuart Middle School	2008	\$955,000	14.6887	\$65,016
Thornton	Riverdale Ridge High School	2010	\$2,819,500	70.1312	\$40,203
Thornton	Quist Middle School	2016	\$3,439,000	21.3242	\$161,272
Average					\$71,223

27J Schools Recommendation

- 1)** 27J should increase the land value per acre to \$60,000 as the first phase in a process to ultimately use the current land value for calculating cash-in-lieu fees.
- 2)** 27J should meet periodically (at least every two years) with district jurisdictions to review the current land value and make necessary adjustments.

BBC Recommendation

- 1)** 27J should use the current value of applicable sales (\$71,273/acre) for calculating the cash-in-lieu values.
- 2)** 27J's cash-in-lieu fees should be updated every 3-5 years, or when there are substantial changes in the local market, to accommodate for rising land values as the population in the area continues to rise.
- 3)** 27J's fees should be updated annually based on established inflation indices, such as the Consumer Price Index or the Engineering News Record Producer Price Index.

Cash-in-Lieu of Land Dedication Subcommittee

City of Brighton	Marv Falconburg	Assistant City Manager
	Holly Prather	Community Development Director
	Jason Bradford	Planning Division Manager
City of Commerce City	Roger Tinklenberg	Deputy City Manager
	Steve Timms	Planning Manager
City of Thornton	Jeff Coder	Deputy City Manager-City Development
	Grant Penland	Current Planning Manager
	Robb Kolstad	Assistant City Manager