CITY OF ASPEN COMMUNITY DEVELOPMENT DEPARTMENT
ADMINISTRATIVE POLICY

AVERAGE LAND VALUES FOR SCHOOL LAND DEDICATION FEES

JURISDICTION:	City of Aspen
EFFECTIVE DATE:	June 15, 2015
WRITTEN BY:	Justin Barker, Planner
APPROVED BY:	Chris Bendon, Community Development Director

Purpose:
The Community Development Department assesses School Land Dedication fees for new residential development based on the market value of the parcel. Determining the market value can be difficult if the property has not transferred recently. The Land Use Code permits the Community Development Department to use average land values for the purpose of determining school land dedication fees. This policy addresses the applicability under the Land Use Code and method to determine the market value of land that is used to calculate a cash-in-lieu requirement.

Background:
The Aspen School District requires land for necessary school functions which may include, but are not limited to, school buildings, support facilities, open space and recreation areas and housing for employees and their immediate families. The purpose of this provision is to ensure that, as development occurs and enrollment in the schools grows, the current level of service provided to students can be maintained. This is accomplished by the adoption of standards for new development to provide land, or cash in lieu thereof, to the City, for use by the Aspen School District. The standards are based on the number of students the development generates and the current level of service standard within the Aspen School District for land area provided per student.

Land Use Code Section 26.620.020 states, "Unless expressly exempted, the school land dedication standard shall be assessed upon all development within the City which contains residential dwelling units." The formula used to determine cash-in-lieu is based on the current market value of land at the time of payment, excluding the value of structures on the property. Land Use Code Section 26.620.070.B.2 qualifies the means of determining market value as mutually agreed-upon between the City and developer. One of these means includes using information from the Pitkin County Assessor for similar parcels on an aggregate basis.

Policy:
The Community Development Department uses the following process to determine the market value for the property:

1. Documented purchase price (if an arms-length transaction no more than two years old).

If transaction is more than two years old, or owner is unable to provide the transaction price:

2. Pitkin County Assessor land value for the subject property.

If no value is listed with the Pitkin County Assessor:

3. Average market value using the methodology described below.

The Community Development Department recognizes that market value for land varies greatly between different areas of the City, as well as between individual parcels. In order to reflect those differences and achieve appropriate average costs, the Community Development Department has broken down the city into six (6) value areas that contain similar types of development. These value areas each have an aggregate market value per square foot of land that is determined from the most current data provided by the Pitkin County Assessor.

These market values are updated every odd year as updated data from the Pitkin County Assessor becomes available. A summary of the process used to determine the aggregate market value per square foot is outlined below:

1. Organize the parcel data into value areas.
2. Delete the parcel data for properties with no land value, exempt assessments, or affordable housing.
3. Add the total square footage for all parcels in a value area.
4. Add the total land value for all parcels in a value area.
5. Divide the total land value by the total square footage.

The properties with affordable housing are calculated separately to provide more accurate market values for both free-market and deed-restricted properties.

The average land values per square foot of land based on the 2014 Pitkin County Assessor's inventory is as follows:

1. **AABC/Maroon Creek/Highlands: $29.35**
2. **Cemetery Lane: $92.22**
3. **West End: $227.27**
4. **Downtown: $378.58**
5. **Smuggler: $170.05**
6. **East End: $114.93**
7. **Affordable Housing: $20.90**

A map of the areas and corresponding values is attached.

This policy shall not replace or supercede the adopted requirements of the Land Use Code codified as Chapter 26.620. Nothing herein shall restrict a property owner from providing other information to establish a property's market value.

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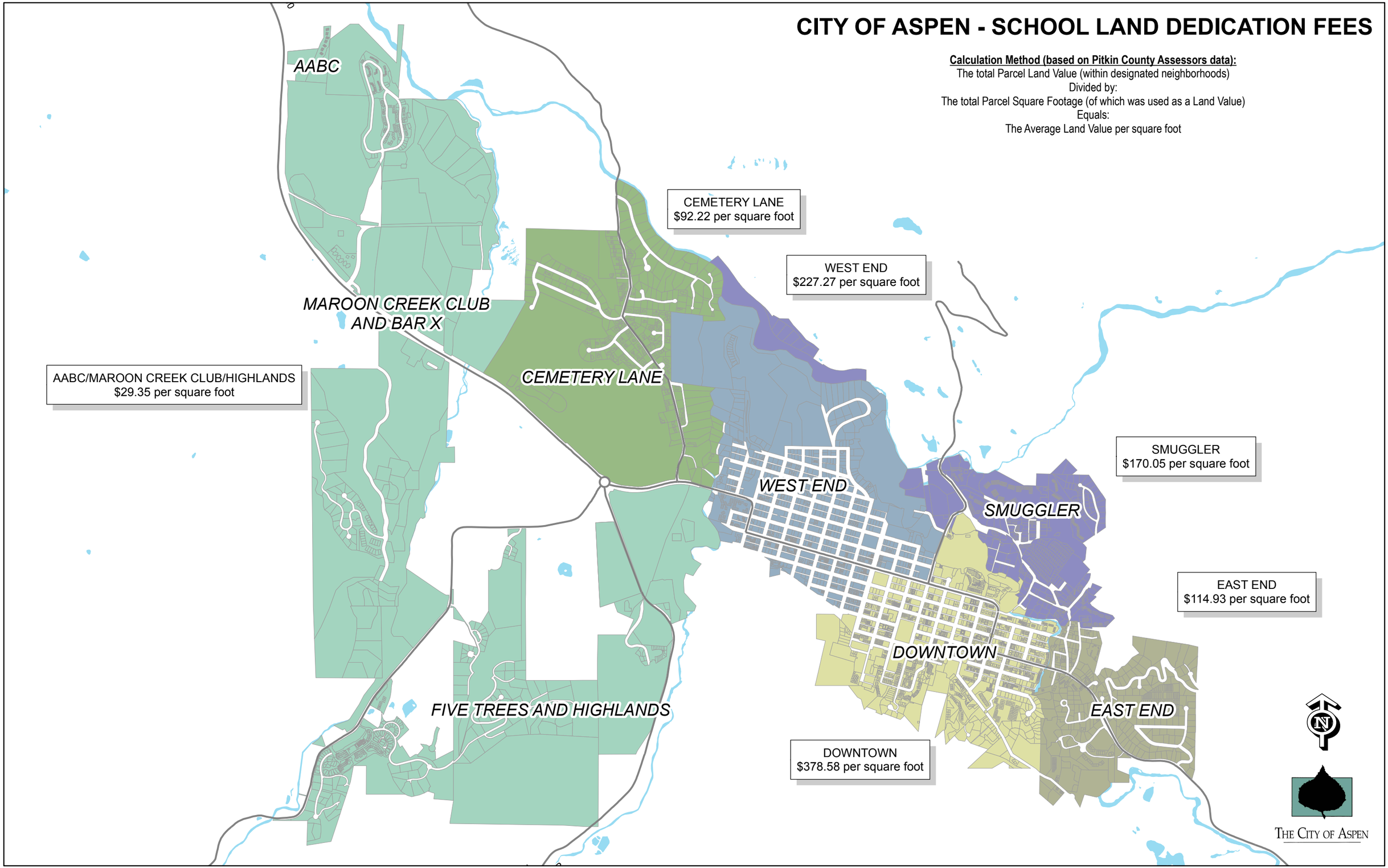
Calculation Method (based on Pitkin County Assessors data):
The total Parcel Land Value (within designated neighborhoods)
Divided by:
The total Parcel Square Footage (of which was used as a Land Value)
Equals:
The Average Land Value per square foot



Date: 5/19/2015