

HOUSE BILL 426
Donations to School Districts In Lieu of Parks.

PERSONAL BACKGROUND:

I want to preface my statements by saying that I am a Montana native born and raised in Billings. I attended Billings Senior High and have a great affinity to the education I received in the public schools of Montana. My profession is as a developer with 8 years of experience in Colorado and Montana. Currently in Billings I manage and consult for a large development group and more specifically on two large residential developments as well as a commercial subdivision. I want to be clear to this committee when I say that I nor anyone I am associated with will get any specific benefit from this statute and I want to make it clear that my reason for being here is completely independent of my profession. My goal with the help of Mr. Himmelberger is strictly to ratify a statute in order to help strengthen our public school and local parks and recreational departments. At the same time the goal of this ratification was to help create an environment that would assist the school districts, parks and recreation departments and city governments to work together with one goal in mind, a superior way of life in each and every community in Montana. I however want to preface this brief presentation with the statement that there is little doubt that this statute will impact the larger urban areas in Montana but nevertheless will afflict no one with any additional tax burden. Last year I was selected to represent a 20 year facilities planning committee for school district #2 in Billings. Our charter was to help the school board create a plan or working model for facilities planning in Billings. In so doing I realized that the same difficulties the schools and parks have in Billings is the very same problem in most of the major urban environments in Montana. The school districts cannot afford to purchase lands for schools inside developing areas and the parks and recreation departments did not have the funds to develop and maintain all the parks being created in new developing neighborhoods. This is not the fault of either organization and truly has more to do with the housing boom taking place in our urban areas in Montana. Being a developer I was aware of this statute and I felt that it offered an opportunity to simplify some difficulties for both organizations. The following is a definition of reasons behind this action.

ORIGIN

- Limited budgets for local park and recreation departments and school districts.
- For School districts there is a constant battle between smart growth advocates and the location of schools (Sprawl)
- Large tracts of lands owned by school districts which fall outside city annexation goals.
- Large tracts of park lands inside subdivisions up to 10 years old that remain undeveloped despite developer and home owner wishes
- Open Space parks that go un-maintained and become riddled with garbage.
- Continued explosion of residential growth in Montana's larger towns leading to more parkland donations but with no regard for schools to encompass the expanding populations inside the neighborhoods in which people reside.

GOAL

- Allow the schools to take advantage of state statutes requiring developers to donate lands for parks. Grant the school district a limited access to these same lands for possible schools. Knowing full well that amount of land needed by the school districts is limited and should have a little impact on the amount of acreage that continues to be granted to the parks and recreation departments.
- Reduce even a little some of the funding pressure on the parks departments by spreading the cost of the lands over to the school districts who themselves desperately seek inexpensive land for immediate and future expansion.
- Allow the parks and school districts to coincide on tracts of lands. With the knowledge that schools and parks both fit similar needs during and after school hours.
- The school districts and parks departments could reduce independent site development costs by sharing the cost of site development. (Example: Playground equipment used by both parks and schools could be a shared cost.)
- Enhance residential development projects for the developers who can advertise future schools as a sales tool.
- The statute would force the school district to work more cohesively with city planning and public works departments. This would ensue because schools who are seeking lands would have to know where developments are taking place and as a result where possible required land donations would occur.
- The statute would enhance smart growth processes because schools would now be locating on lands where known development is going to occur. This would also eliminate possible mistakes by school board who may have in the past purchased lands outside city annexations points as a direct result of limited knowledge of a city growth and annexation policy.
- The statute could also (if the governing body deems suitable) allow school districts to sell current lands that may or may not conform to city growth patterns in order to alleviate some short term budget problems. All with the knowledge for the school districts that lands would be available in the future at no cost to the school district.

QUESTIONS

1. What protection would the parks departments have from loosing all future land donations to schools.
1. (ANSWER) School districts will need only limited sites to develop schools. In addition the statutes goal is not intended nor does it allow for school districts to monopolize land donations in order to sell at a later date for additional funding sources. The statute should only allow the land donations to be accepted by a school district if the said district demonstrates a need for it. The responsibility will then fall on the school district to solicit the city and the developer for the land for a

school in lieu of the parks department. However I want the committee to realize that there are numerous examples of parks and schools sharing the lands in a mixed use environment

2. What if the developer donates the land to the school district but it is determined to not be a need.
3. The statute will not put the complete control of the donation into the hands of a developer. If the city and the school district working together deem the land to be an unnecessary site for a school district facility then the land will immediately revert into the hands of the parks and recreation department as the statute intends.

2. What if the surrounding land developments only encompasses small tracts of land such as 10 (ten) acres. Would there be sufficient land to donate to fit the needs of the school districts.
3. In this case there are three options. The first would be for the school districts to work with a pool of land owners of smaller parcels. The focus would be to accumulate enough land owners together that the combined mass of each landowners parcel times the 11.10% (required for donation) would make for the necessary land mass required to build a facility. Again recognize that there is nothing in the statutes that says the schools and the parks cannot share the land in a mixed use scenario. **SECOND** using the aforementioned process the school district could work with the parks to create a mixed use facility where by a park would encompass the land mass but leave room for the foot print necessary for a school with adequate parking. The two bureaucratic entities could then share in the site development costs of the land with each entity taking its share of responsibility based on use. **THIRD** the school district could create a model where by it would put a focus on large tracts of land before they are subdivided. Working with the city and the parks and recreation departments they would then identify this location as a site for a school. The city would then identify to the future developer of land that a donation of the 11.1% of the land will be made to the school district in lieu of the parks department or the land will be shared by both the parks department and school district.

4. Parks and Recreation departments often receive funds in Lieu of land in order to develop nearby parks. How would this statute impact those funds for the parks and recreation departments.
4. The focus is not on the funds the parks and recreation departments receive. If anything the parks would be enhanced by this change by simply allowing the school districts to acquire lands where schools are deemed necessary for a neighborhood. With the amount of park land that is undeveloped currently this statute should be recognized as a benefit. With fewer parks to develop it would allow more funds for the development of other park sites. At the same time schools will create

park like environments simply by their own development. However, I will always refer back to the fact that there is mutual benefit for schools and parks to share their lands in a mixed use environment.

FACTS

Currently in Billings it is reported from Park and Recreation officials that approximately 18 such neighborhood (and perhaps more) parks ranging in size from one acre all the way up to ten acres are undeveloped. At the same time a number of these parks are either partially or completely surrounded by completed residential developments.

In Billings there are school sites that fall so far outside the cities annexation boundaries that it is difficult to determine whether these sites can be developed in the next 25 years. If these sites were to be developed their could be exponential maintenance costs levied on the local taxpayers who will have maintain the services to them until infill congruent to the services takes place. In addition it is questionable whether these sites can be developed without the construction of a second sewer plant to supply the site with necessary services. The problem is Billings will need other schools far inside either foreseeable time frame.

In talking with developers, realtors, city officials and organizations such as the Urban Land Institute the simplest way to encourage urban sprawl is by building schools outside of natural growth boundaries. These boundaries would be determined by sites that are adjacent to developed neighborhoods with adequate services to supply the facility.

Finally both our School Districts and Parks and Recreation departments face difficult budgeting issues each and every year. By making a simple statute change such as this one we can help alleviate some of their costs and enhance the environments that each of us live in.

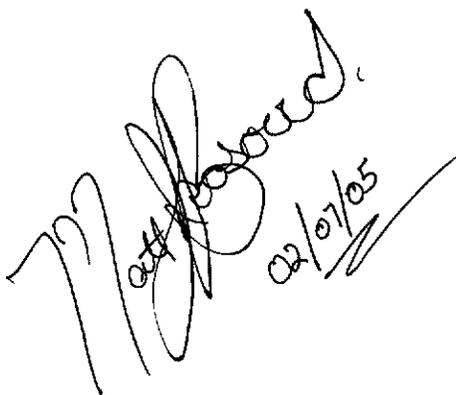

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Exhibit Number: Z

**The following exhibit is colored
photographs that cannot be
scanned. The exhibit is on file at
the Montana Historical Society
and can be viewed there.**