

Market Rate Assessment and Factors Contributing to Land Prices

Town staff conducted a high-level, google search of vacant commercial land *for lease* in Boulder County. The result is that there is very limited land for lease in Boulder County. Upon initial research, there are only eight sites listed among several real estate sites.

Most sites are part of comprehensive plans for commercial and/or industrial development along growth corridors. Prices range from \$.50 sf/year to \$7.95 sf/year depending on location, zoning, utilities, etc. The two tracts of land that Mr. Vasquez is leasing is approximately 55,000 sf.

It appears that the price varies based on several factors, including:

- Location
- Accessibility to transportation routes
- Zoning
- Growth corridors
- Access to utilities
- Access to the property
- Limited use due to easements, rights of way, etc.

The Bureau of Land Management (BLM) was the only public land that was noticed on any of the sites found. The BLM calls it a 'ground lease'. The 2016-2025 per acre rent schedule is attached. I left a message with the contact to get further clarification, but we have not heard back yet.

Boulder County leases land to farmers, but I was unable to locate information on any commercial leases. Inquiries were left with the assessor's office and land use planning department.

In further research of past leases to Mr. Vasquez, the lease previously included language regarding increasing the annual lease rate in conjunction with CPI, but the most current lease did not include this language. The current lease under consideration does not include this clause either. If this is something that the Board would like to include, it would require an amendment to the proposed Ordinance 1117.

Ord 926	2013-2016 Lease had a clause that the lease could increase with the Denver Boulder Consumer Price Index (not to exceed 10% in any given year)
Ord 1003	2016-2019 Lease has the same clause as above.
Ord 1050	2019-2021 Lease did not include the clause – straight \$3,300 per tract per year
Ord 1117	2022-2024 Proposed Ordinance does not include a CPI clause