

Parkland Dedication

Community Conversations Update

March 3, 2023

Good Afternoon

Introductions



Parkland Dedication (PLD)

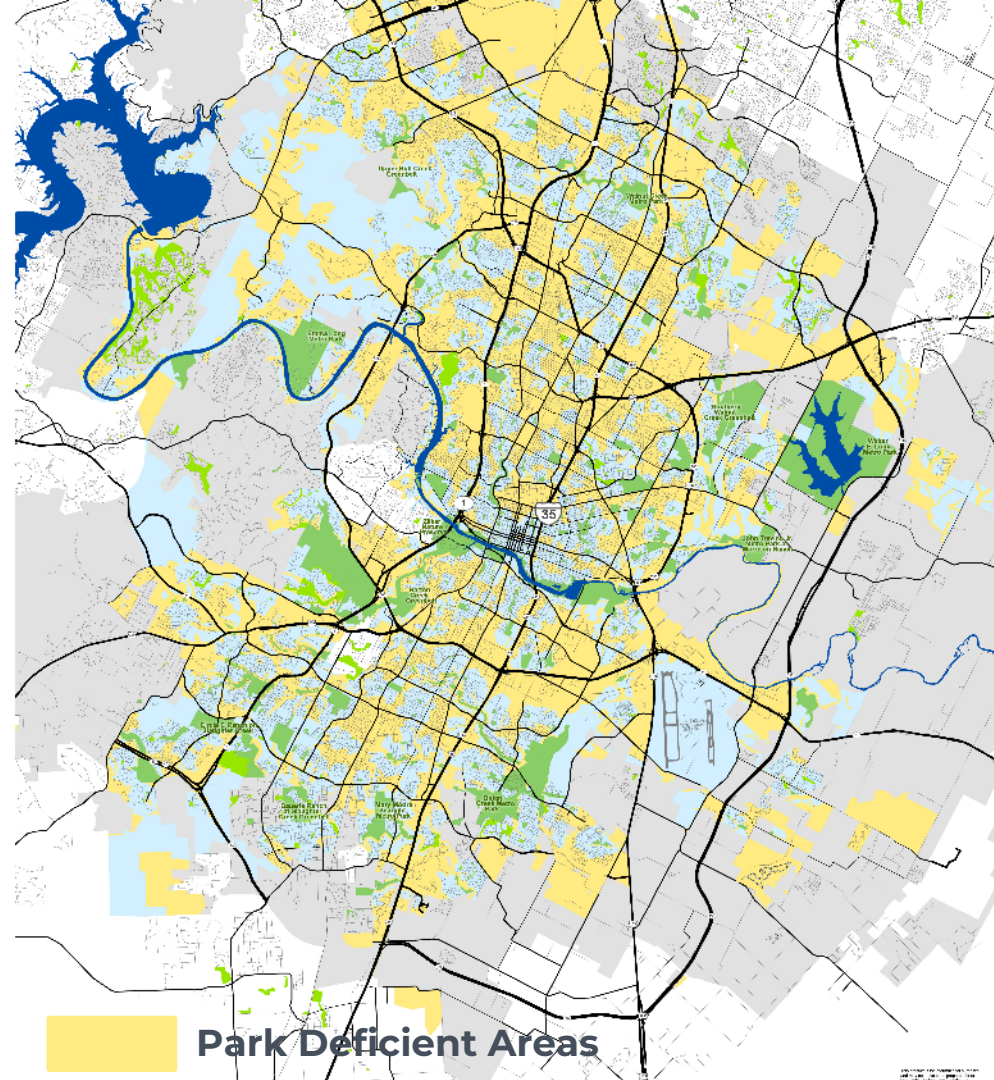
Overview

2023 Stakeholder
Engagement

Open Discussion

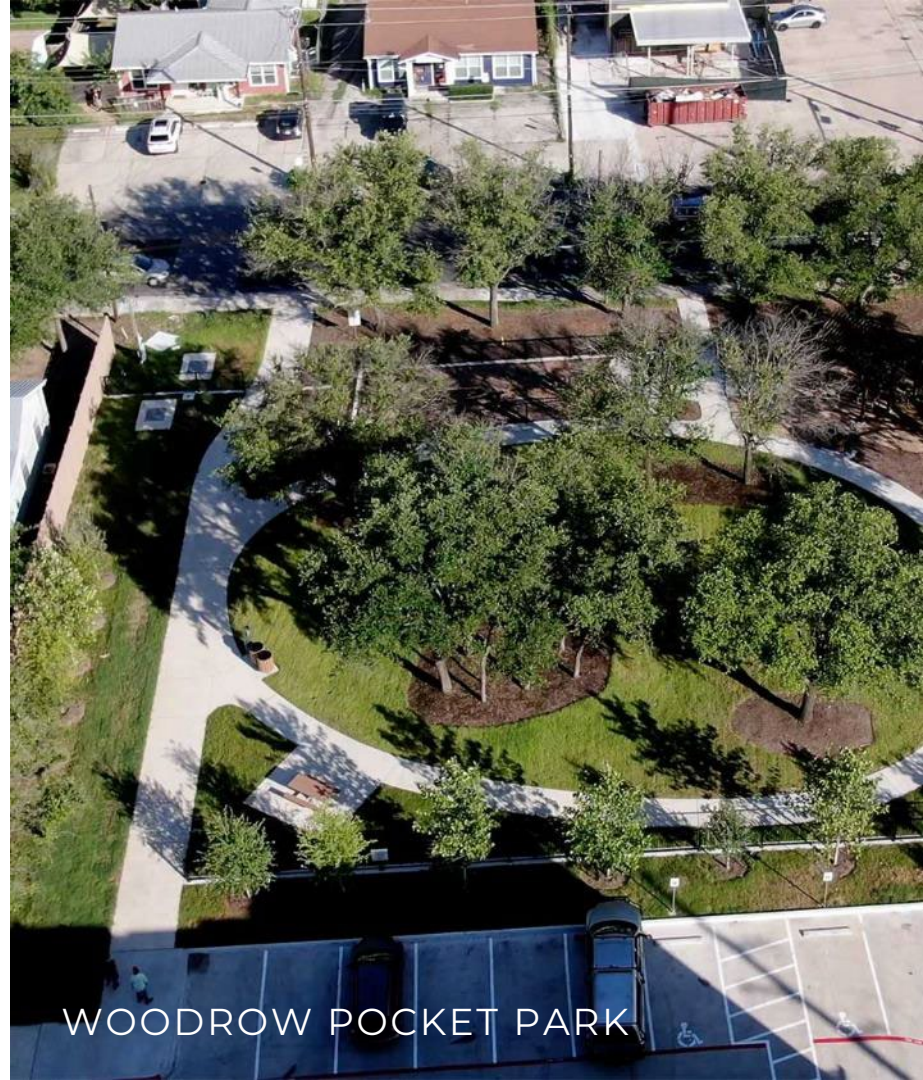
PLD Goals

- Provide parkland within a 5 to 10-minute walk for all Austinites
- Distribute high-quality parkland equitably across the city
- Integrate open space into a compact and connected city



PLD Goals

- Promote the health and well-being of the Austin community and workforce
- Keep park development in pace with rapid development and workforce growth
- Create opportunities for greenbelt and trail connections to serve new developments



WOODROW POCKET PARK

Parkland Dedication Accomplishments

Since
1985

1,800 acres of
deeded parkland

84 acres of park
easements

121 distinct parks either
dedicated or purchased
through parkland dedication

Since
2018

An additional **4.3% (40,000) of Austinites are
within walking distance** of a park, totaling 68%



In
2022

19.51 acres of
deeded parkland

10.61 acres of
park easements

Covering **14 new parks**
or park extensions

Residential PLD

1985 First COA Parkland Dedication Ordinance

2007 Updated fee and expanded requirements to all new residential development (previously only subdivisions)

2016 Updated the formula and fee for determining dedication requirements

2022 Updated fee, schedule for rate changes, expansion of affordable housing waiver, clarification on dedicated parkland in floodplain



Commercial PLD

2020 PARD Board recommended PLD Ordinances for commercial developments

April 2022 Council directed City Staff to require PLD for commercial developments

May-Aug 2022 Gathered stakeholder input and developed ordinance methodology




Sept 2022 Approved by City Council

Jan 2023 Commercial PLD took effect



Methodology: Funding Park Systems

3 Options to Fund Parks with Population Growth

- Increase property taxes  Impacts existing residents to subsidize new residents
- Lower standards for parks and quality of life  Negatively impacts existing residents and new residents
- New development pays for the impact on neighborhood parks through PLD fees  New development pays for itself (similar to transportation and utility development fees)

2023 Community Engagement

Recap
What We Heard

2023 Stakeholder Engagement

Purpose:

- Gather input on current parkland dedication policies
- Explore opportunities to fine-tune the policies

24

Kick-off
meeting
participants

17

stakeholder
meetings

31

stakeholder
meeting
participants

28

Organizations
engaged

What We Heard

Common Themes:

**Support for
commercial and
residential parkland
dedication
ordinances**

**Concerns about
impacts of
development
on wildlife and
environmental
features**

**Suggestions for
changes to fee
methodology**

**Clarification
needed on
requirements**

What We Heard

Common Themes:

**Concerns about
park maintenance
and
responsibilities**

**Concerns
about
increased costs
for developers**

**Noted benefits of
parks as
appealing feature
for employers,
new residents,
tourists**

**Concerns about
impacts on
affordability**

What We Heard

Clarification on process & requirements

- Code criteria outlines how reviewers determine parkland dedication requirements
- The fee rate is established at the time of submittal following recent code amendment by City Council, on the recommendation of the real estate community
- Early determination letters – more details requested
- Hotels: Fee structures follow both residential and commercial rates and the total fee will be combination of both requirements – one based on guests (residential), and one based on worker-commuters (commercial)

What We Heard

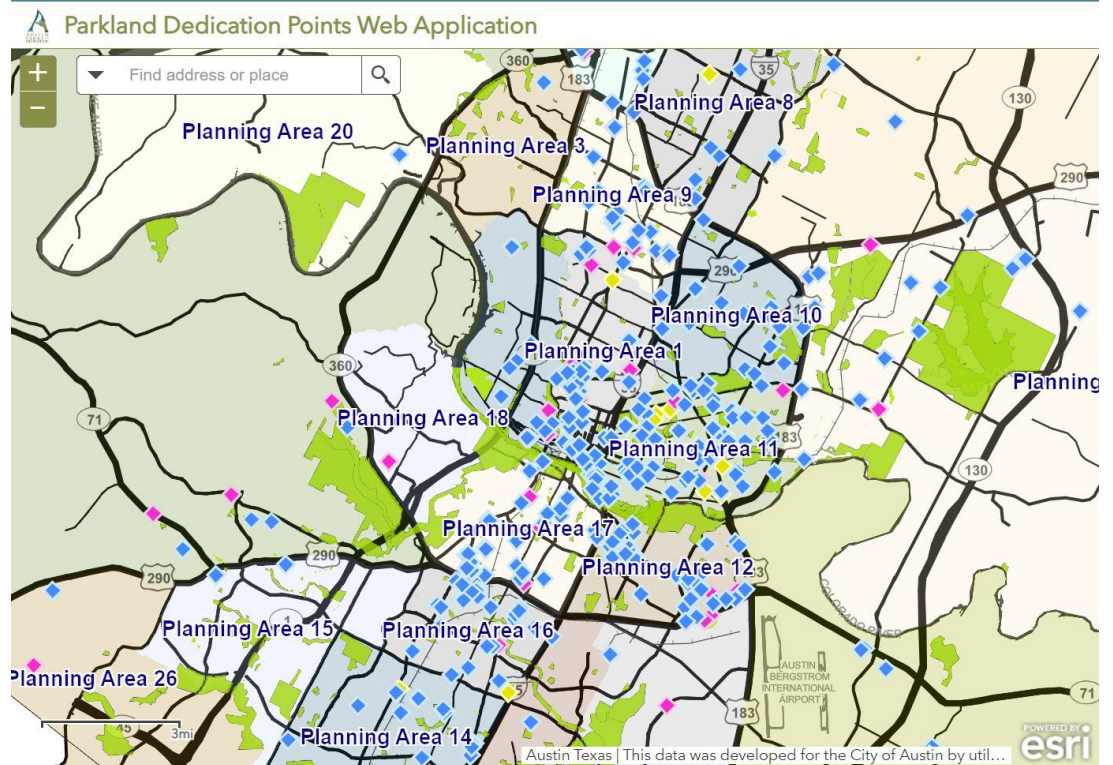
Clarification on maintenance

- Maintenance is not a development requirement for newly dedicated parkland – the cost of additional maintenance is covered by the City's general funds
- New developments may voluntarily maintain the parkland through an agreement with PARD, should developments wish to provide a more customized service for their adjacent parkland
- Maintenance may not be factored into parkland dedication requirements as it is not a capital expenditure as established by case law
- Staff is open to recommendations and suggestions on maintenance

What We Heard

Clarification on process – how funding from PLD can be used

- Staff will outline requirements and clarify how funds can be used



Parkland Dedication Cases in central Austin since 2017

What We Heard

Questions and concerns about fee methodology

- Current fees are based on city-wide acquisitions for a 5-year average – currently \$166,644 per acre
 - TCAD 2022 data \$973,463 an acre
- City previously considered basing the fees on a third-party appraisal cost for the site being developed, but didn't as the fees would be much higher
- Consideration for evaluating different fees based on geography will be included in the report to Council

What We Heard

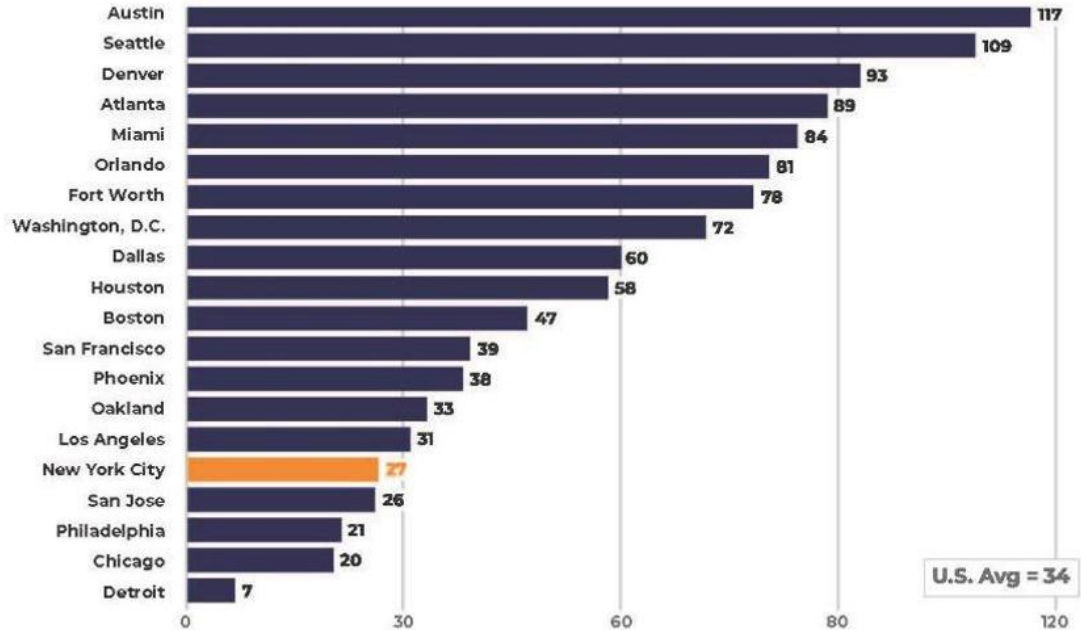
Concerns about increasing costs to develop

- Changes in the fee rate in recent years are based on land values and increasing cost to develop parkland
- Fees must reflect the cost of the service for which they are being required
- Parkland Dedication puts a portion (<50%) of the burden of new parks needed due to growth on the developer

What We Heard

Concerns about increasing costs to develop

Figure VIII: New Housing Units per 1,000 Residents in Major U.S. Cities (2011-2020)



Sources: U.S. Census Bureau Building Permit Survey (BPS) County Annual Files (imputed); U.S. Census Bureau Delineation Files March 2020; NYC DCP Housing Database Q4 2020; U.S. Census Bureau Redistricting Data Files 2021. New housing units measured as authorizations for new units by building permits.

What We Heard

Concerns about increasing costs to develop

Top 10 most preferred markets

- 1 Dallas / Ft. Worth
- 2 Austin
- 3 Miami / South Florida
- 4 Los Angeles
- 5 Nashville
- 6 Atlanta
- 7 Charlotte
- 8 Phoenix
- 9 Boston
- 10 Raleigh - Durham



2023 U.S. INVESTOR INTENTIONS SURVEY

Source: U.S. Investor Intentions Survey, CBRE Research, December 2022.

CBRE

What We Heard

Concerns about impacts on affordability

- Affordable housing is exempt under current code
- Parkland Dedication reduces need for more property taxes on existing residents to fund parks needed due to growth

Suggestions: Reporting to Council

- Consider geographic locations when determining fees (CBD/Urban/Suburban)
- Consider more details in Early Determination Letters: Include details about what will be required, where the parkland will be dedicated or the fees required
- Look for opportunities to clarify process on requirements and how fees can be used
- Gather additional feedback on maintenance of parks and suggestions for improvements

What Do You Think

Are we missing anything?

Has this process been helpful?

Any additional suggestions?

Do you have any questions?

Next Steps

- Develop Stakeholder Engagement Report for Council
- City will follow state legislation – SB 558 & HB 1526