

Memorandum



CITY OF DALLAS

DATE January 20, 2017

TO Honorable Members of the Quality of Life & Environment Committee: Sandy Greyson (Chair),
Tiffinni A. Young (Vice Chair), Rickey D. Callahan, Mark Clayton, Philip T. Kingston, B. Adam McGough

SUBJECT **Park Land Dedication Overview**

On Monday, January 23, 2017, you will be briefed on Park Land Dedication Overview. The briefing materials are attached for your review.

Please feel free to contact me if you have any questions or concerns.

A handwritten signature in black ink that reads "Willis Winters".

Willis C. Winters, FAIA, Director
Park and Recreation Department

c: A.C. Gonzalez, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Mark McDaniel, Acting First Assistant City Manager
Eric D. Campbell, Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council



Dallas Park & Recreation

Park Land Dedication Overview



Quality of Life Committee

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What is Park Dedication?

- A park land dedication ordinance is a requirement by a local government mandating that dwelling unit (DU) developers or builders either:
 - Dedicate land for a park;
 - Pay a fee-in-lieu (of dedication) to acquire park land; and/or
 - Pay a fee to develop park facilities
 - Generally impacts new residential subdivisions, multifamily and office conversions to multifamily
 - This is typically accomplished and enforced through the platting/subdivision process and in some cases the building permitting process



Park Dedication Rationale

- New dwelling unit (residential) development creates a need for additional open space and park amenities
- Park dedication requires the developer to share/bear the cost for new parks, open space and park facilities for new residents

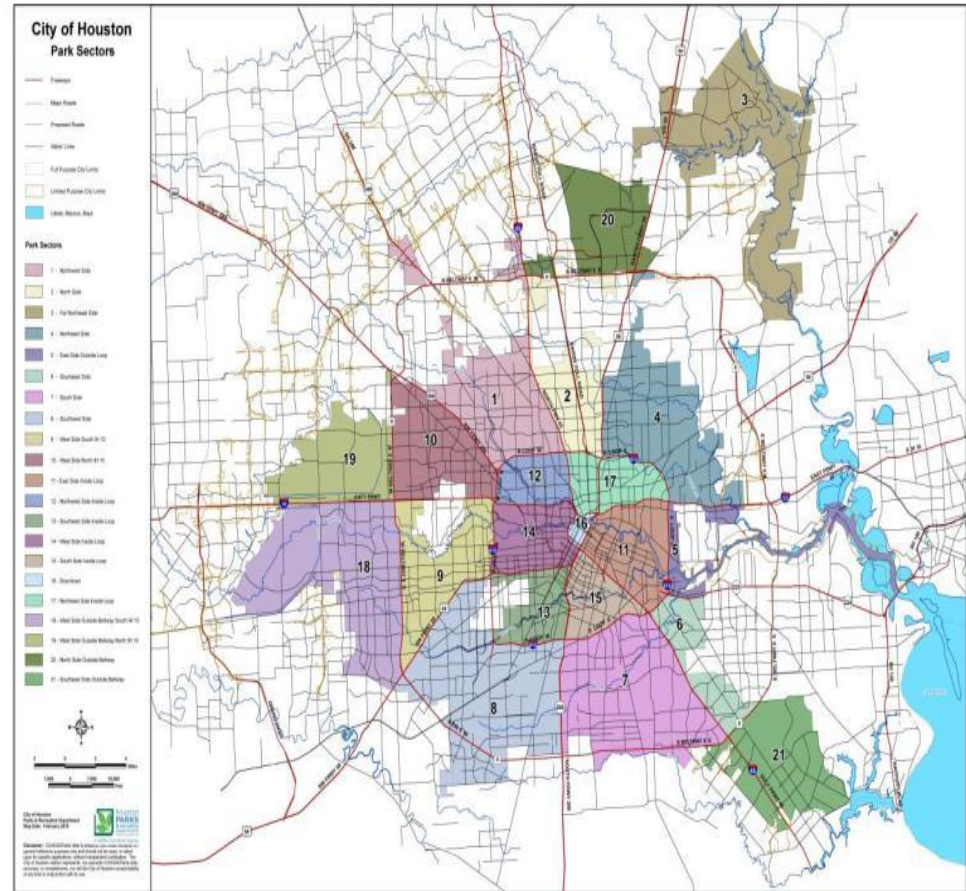


Park Dedication Ordinances in Texas

- Parkland dedication was first used in Montana in 1919
- In 1955, Corpus Christi became the first municipality in Texas
- By 2016, 48 Texas municipalities had park dedication ordinances, including:
 - Houston
 - Austin
 - Fort Worth
 - El Paso
 - San Antonio
 - DFW suburbs (Arlington, Colleyville, Denton, Flower Mound, Frisco, Grapevine, Plano, Keller, Lancaster, Lewisville, McKinney, Rockwall, Rowlett, Southlake, The Colony, Wylie)

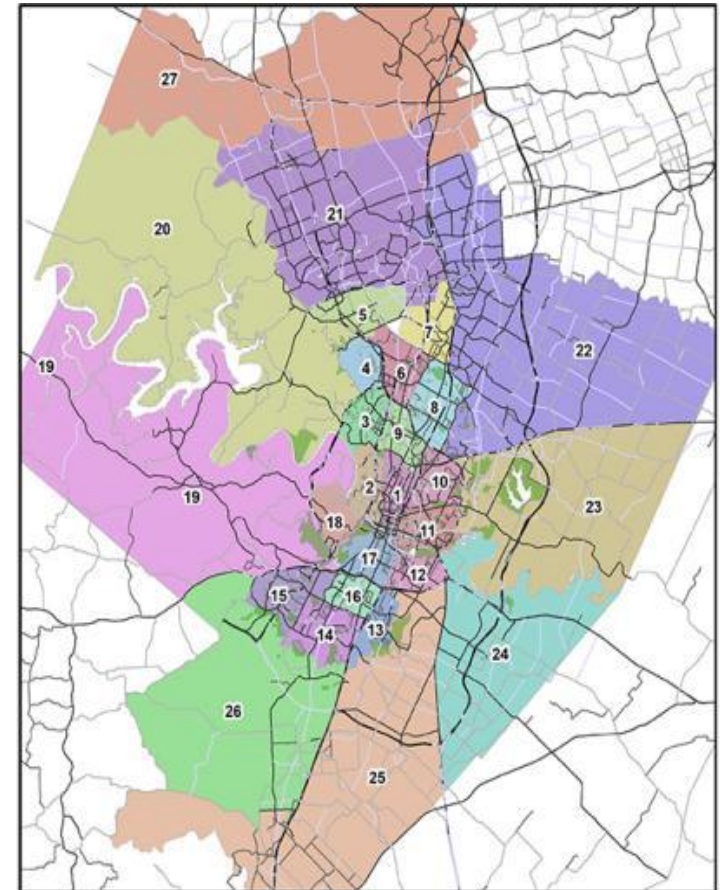
Examples of Texas Cities – Houston

- Parks and Open Spaces Ordinance approved in 2007
- 22.5 acres of land dedicated since 2009
- Raised \$17.3M since 2007
- Requirements
 - 10 acres per 1000 population
 - \$700 fee-in-lieu per dwelling unit



Examples of Texas Cities – Austin

- Parkland Dedication Ordinance approved in 1985
- Revised in January 2016
- 1800 acres dedicated between 1985 and 2016
- Raised over \$35M in fees between 1985 and 2016
- Requirements
 - 9.4 acres per 1000 population
 - Fee-in-lieu (including park development fees) of \$1551 for each new low density DU, \$1220 for medium density, and \$943 for high density
 - Also has fee calculation for hotel/motel

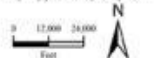


City Of Austin:
Park Planning Areas

October 2012 CY



This map has been prepared by the City of Austin Parks & Recreation Department for the sole purpose of geographic reference. No warranty is made by the City of Austin regarding specific accuracy or completeness.



Examples of Texas Cities – Fort Worth

- Fort Worth Neighborhood and Community Park Dedication Policy approved in 1977
- Revised in May 2000
 - Currently going through a revision process to be completed in Summer 2017
- 1,361 acres added to system since 2000
- \$31M in fees raised between since 2000
- Requirements
 - 6.25 acres per 1000 population
 - Fee-in-lieu for central city of \$500 per DU and land appraisal formula for outside city center
 - \$30,000 per acre neighborhood development fee
 - Also require a park infrastructure fee



Examples of Texas Cities – San Antonio

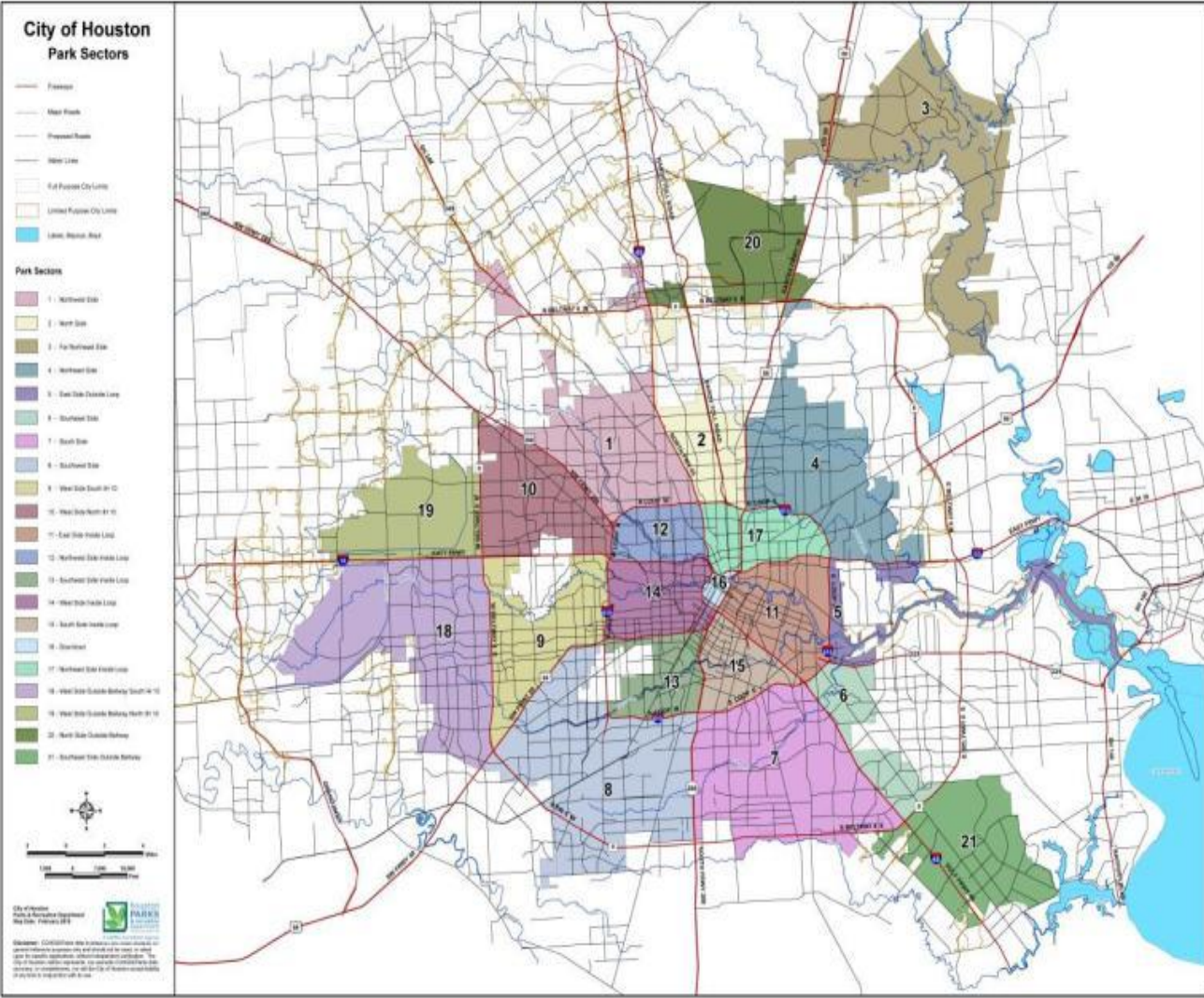
- Unified Development Code
- Adopted May 2001
- \$925,000 raised through fee-in-lieu program as of 2014
- Requirements
 - 1 acre per 70 DU for single family, 1 acre per 114 DU for multi-family
 - Fee-in-lieu is determined by a formula taking into account acreage, fair market value and average development costs



Legal Considerations

- City must demonstrate a “roughly proportional” quantitative relationship between dedication requirements imposed on a developer and the increased demands of the proposed development on its parks system
- The park dedication or fee-in-lieu must be used to benefit the geographic area impacted by the development – the nexus principle
- Reasonable timeframe must be stated in ordinance for expending fees-in-lieu (Austin utilizes 5 years, Houston uses 3 years)
 - Derived from Texas Local Government Code Chapter 212 (sec.212.904) as well as court cases

Example of the Nexus Principle - Houston



Park Dedication Next Steps

- Park and Recreation Board directed staff to brief City Council Committee at November 16, 2017 meeting
- Seek Council guidance on hiring consultant to examine feasibility of park dedication, develop fee methodology and nexus zones



Considerations

- Consultant fees for this type of work typically range from \$60,000 to \$150,000 depending upon complexity and other factors
- Will require working with other City departments (Planning/Zoning, Economic Development, City Attorney's Office, etc.)
- Once consultant has been engaged, process can exceed a year in length for approval
 - Ongoing Fort Worth update began in April and is not expected to be completed until late Summer 2017



Dallas Park & Recreation

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Benchmarking Appendix

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PARK DEDICATION AND PARK FEE POLICY COMPARISON TABLE

CITY	PARKLAND DEDICATION	FEE IN LIEU	OTHER PARK FEES	CENTRAL CITY FEE	NON-RESIDENTIAL FEE	TOTAL OBLIGATION
Fort Worth	Neighborhood Park: 2.5 acres/1,000 pop, Community Park: 3.75 acres/1,000 pop; Total Park Dedication: 6.25 acres/1,000	Fair Market Value of required land dedication	Neighborhood Park Development Fee \$30K/acre; plus infrastructure fee	\$500/DU accessed at time of building permit		6.25 acres land + \$30K/ac neighborhood park + infrastructure fee
Austin	9.4 acres/1,000 population	Low Density: \$1,030/DU; Medium Density: \$810/DU; High Density: \$626/DU	Low Density: \$521/DU; Medium Density: \$410/DU; High Density: \$317/DU	15% cap on land area in Urban Core	Hotel rooms X 1.7 X Annual Occupancy Rate	Low Density: \$1,551/DU; Medium Density: \$1,220/DU; High Density: \$943/DU
Dallas	Not applicable, Dallas does not have a park dedication ordinance, policy, or development fee.					
Houston	10 acres/1,000 population	\$700/DU (can be updated annually)				10 acres/1,000 pop or fee in lieu
San Antonio	<i>approximately 4.76 acres/1,000</i> single family population, 4.39 acres/1,000 multi-family population	Park dedication acreage X Fair Market Value + average development cost	Park Facility improvements may reduce dedication acreage			1 acre/ 70 single family DU, 1 acre/ 114 multi-family DU (including in the ETJ)

Benchmarking Appendix

Charlotte/ Mecklenburg Co.	Park Land Dedication Ordinance implementation goal of P&R Master Plan by 2017					
Denver			Park Impact Fee Single Family \$375/DU, MF 8-18 DU/AC \$312/DU, MF 18+DU/AC \$250/DU		Non-residential Park & Trail Impact Fee \$403/AC	Park Impact Fee Single Family \$375/DU, MF 8-18 DU/AC \$312/DU, MF 18+DU/AC \$250/DU; plus/or Non-Residential Impact Fee \$403/AC
Kansas City	6 acres/1,000 population	Park dedication acreage X "current year's price" (avg. park acquisition cost)				6 acres/1,000 population or fee in lieu
Nashville	Park dedication "may be required"					Park dedication "may be required"
Oklahoma City			Park Development Fee \$0.37/sq. ft. Residential			Park Development Fee \$0.37/sq. ft. Residential
Arlington	Land In Lieu of Fee Option		Neighborhood Park Fee by Benefit District \$685-\$819 per DU, plus \$572 Linear Park Fee			Total Park Fees vary from \$1,257 to \$1,391 per DU

Benchmarking Appendix

Portland			Non-central City less than 700 SF: \$5,772/DU; 700-1,199 SF: \$8,634/DU; 1,200-1,699 SF: \$10,381/DU; 1,700-2,199 SF: \$11,787/DU; 2,200+ SF: \$13,049/DU	Central City less than 700 SF: \$4,648/DU; 700-1,199 SF: \$6,953/DU; 1,200-1,699 SF: \$8,359/DU; 1,700-2,199 SF: \$9,491/DU; 2,200+ SF: \$10,507/DU	Non-residential fees are price per square ft. and range from \$0.20 to \$2.52 per sq. ft. depending on occupancy type & location	Combined fees from previous columns
Omaha			Trail & Blvd. Fee 0.158% of total value of all residential construction work; Community Park Fee \$450/AC at platting + 0.06% of total value of construction work at bld. Permit		Trail & Blvd. Fee \$1,170/AC commercial & industrial lot at bldg. permit, Community Park Fee \$800/AC + 0.06% of total value of construction work at bld. permit	Combined fees from previous columns
Sacramento	5 acres/1,000 population	Park dedication acreage X Fair Market Value + 20% for off-site improvements	Park Development Impact Fee worksheet on website		Park Development Impact Fee worksheet on website	5 acres/1,000 population or fee in lieu, plus Park Development Impact Fee