

Memorandum



CITY OF DALLAS

DATE May 11, 2018

TO Honorable Mayor and Members of the City Council

SUBJECT **Park Land Dedication Ordinance**

On Wednesday, May 16, 2018, you will be briefed on the Park Land Dedication Ordinance. The briefing material is attached for your review.

Please feel free to contact either myself, David Cossum, or Willis Winters if you have any questions or need additional information.

A handwritten signature in blue ink, appearing to read 'Majed Al-Ghafry'.

Majed Al-Ghafry
Assistant City Manager

[Attachment]

- c: T.C. Broadnax, City Manager
Larry Casto, City Attorney
Craig D. Kinton, City Auditor
Billerae Johnson, City Secretary
Daniel F. Solis, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Jo M. (Jody) Puckett, Assistant City Manager (Interim)
- Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
M. Elizabeth Reich, Chief Financial Officer
Nadia Chandler Hardy, Chief of Community Services
Raquel Favela, Chief of Economic Development & Neighborhood Services
Theresa O'Donnell, Chief of Resilience
Directors and Assistant Directors

Park Land Dedication Ordinance

May 16, 2018

David Cossum, Director
Sustainable Development
and Construction

Willis Winters, FAIA, Director
Park and Recreation

Ryan O'Connor, Program Manager
Park and Recreation



City of Dallas

Presentation Overview

- Requested Action
- Ordinance Rationale
- Background
- Recommendation
 - Dedications and fees
 - Requirements
 - Offsets and credits



Requested Action

Recommend the proposed Park Land Dedication Ordinance as unanimously approved by the City Plan Commission with amendment in response to the Quality of Life, Arts and Culture Committee

Ordinance Rationale

- As Dallas experiences rapid growth, the park system is not growing at the same rate
 - Last significant increase to neighborhood and community park acreage occurred in 1980s and early 1990s
- A park land dedication ordinance ensures developers share the cost of providing new park land and amenities for new residents as opposed to fully burdening existing residents

Background

- First park land dedication ordinance in Texas – 1955 (Corpus Christi)
- Largest cities in Texas (Houston, Austin, San Antonio, Fort Worth, El Paso) have existing park land dedication ordinances
- Most surrounding DFW suburbs have existing park land dedication ordinances

Background (continued)

- The Park and Recreation Board was briefed on a park land dedication ordinance in November 2016
- The City Council Quality of Life Committee was briefed four times in 2017
- Five meetings were conducted with the Subdivision Review Committee of the City Plan Commission in Summer 2017
- The City Plan Commission was briefed twice in 2017
- The City Plan Commission approved the ordinance on December 14, 2017
- The Park and Recreation Board approved a resolution on January 4, 2018, supporting the action by the CPC
- The City Council Quality of Life, Arts and Culture Committee was briefed on February 12, 2018

Background (continued)

Staff convened a working group to discuss and make recommendations for the proposed ordinance:

- Comprised of members/representatives from TREC, Dallas Builders Association, AIA, multifamily developers, single-family developers and park system advocates (former City Council and Park Board members)
- Met five times in April and May of 2017

Proposed Ordinance Requirements and Fees

(as approved by CPC)

Requirements and Fees

- The dedication requirements and fees contained in the proposed ordinance are based on existing criteria and factors of the Dallas park system
 - Additional information and calculations can be found in the appendix
- Land dedication requirements and fee recommendations are not arbitrary
- Methodology uses best practices from other cities in Texas

Recommendation: Land Dedication

- Single-Family
 - 1 acre per 100 dwelling units
- Multifamily
 - 1 acre per 255 one-bed units
 - 1 acre per 127 two-bed units
- Hotel/Motel
 - 1 acre per 233 rooms

Recommendation: Total Fee

- Single-Family
 - \$1,165 per dwelling unit
- Multifamily
 - \$457 per dwelling unit, 1BR or less
 - \$917 per dwelling unit, 2BR or greater
- Hotel/Motel
 - \$500 per room
- Proposed fees are in line and competitive with surrounding communities
 - Range from \$325 (Rowlett) to \$1,802 (Colleyville)

Land Dedication and Fee Examples

- Single-Family
 - 20-home shared-access development
 - Land dedication: 0.2 acres (plus \$8,060 park development fee)
 - Or Fee: \$23,000
- Multifamily
 - 150-unit development (120 one-bed units and 30 two-bed units)
 - Land dedication: 0.71 acres (plus \$28,470 park development fee)
 - Or Fee: \$82,350
- Hotel/Motel
 - 150-room hotel
 - Land dedication: 0.64 acres (plus \$25,950 park development fee)
 - Or Fee: \$75,000

Additional Ordinance Components

(as approved by CPC)

Consensus recommendations of the
developer and park advocate working group

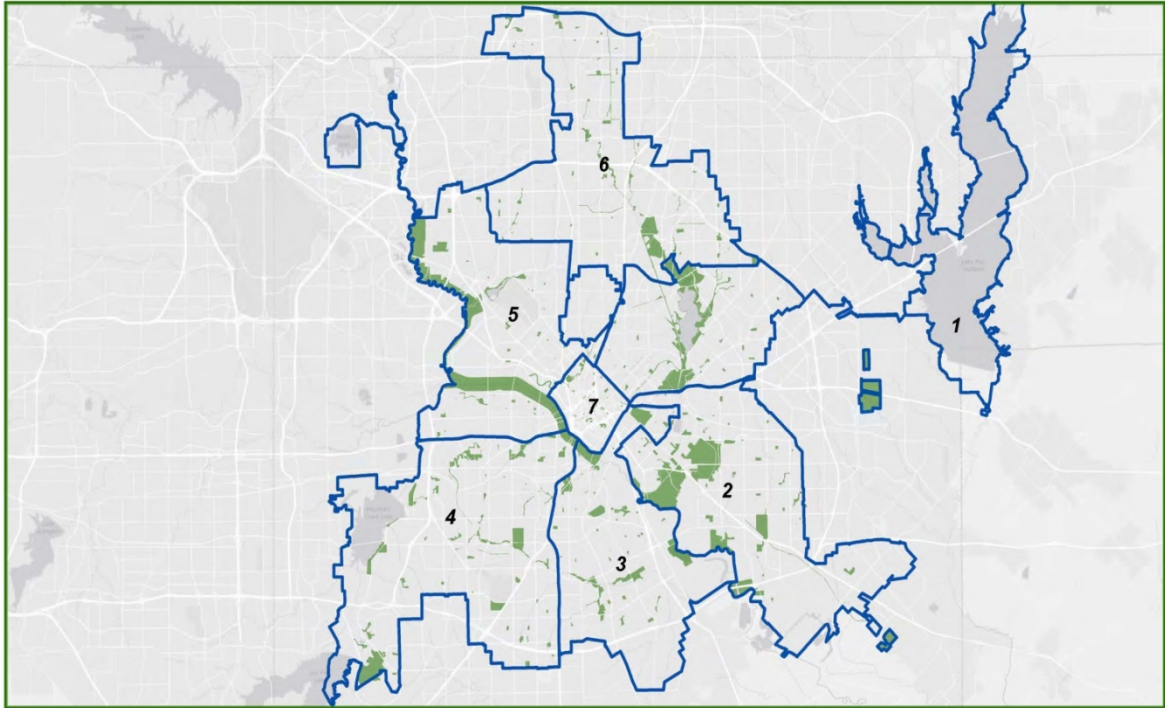
Recommendation:

Park Dedication Zones

- Use six existing park districts and create a new zone for downtown and the surrounding neighborhoods (as defined by Downtown360 Plan) for a total of seven zones
- Park Dedication Zone rationale:
 - Zones are established and do not require the creation of new arbitrary boundaries
 - Zones are large enough for the Park and Recreation Department to acquire land and expend fees
 - Zones are small enough to be responsive to individual developments but large enough to provide land dedication options to developers
 - Zones have roughly the same number of park acres and amenities (with the exception of the downtown zone)

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Park Dedication Zones

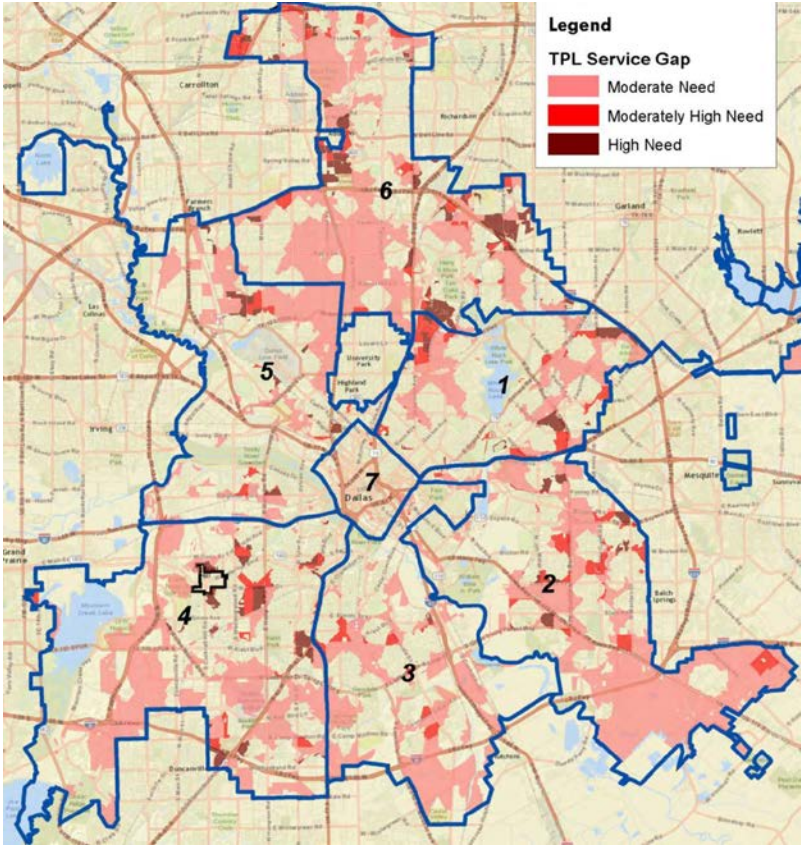


Park Nexus Zones



November 12, 2017

Park Dedication Zones



Recommendation: Add'l Components

- Time limit for expending fees
 - 10 years
- Minimum dedication size
 - One acre with allowance for exceptions by Park and Recreation Director
- Fee adjustment review
 - Annually with escalator based on Dallas Central Appraisal District (DCAD) Single-Family Residential (SFR) value with maximum increase/decrease of 5%

Recommendation: Add'l Components

- Change of density/teardowns
 - Use delta for a period of five years, after which full number of units are assessed
 - Example:
 - Developer buys property with 100 apartment units and intends to replace with 200-unit complex
 - Only charged fees based upon new 100 units if work commences within five years
 - If work does not commence within five years, developer would be charged fees based upon the full 200 units
- Ordinance implementation on January 1, 2019 (CPC recommendation)

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Recommendation: Land Acceptance Standards

- Connectivity to a public street appropriate for the size and use of the park
- Cleared of any non-vegetative material
- No severe slope or extreme topography inconsistent with the intended recreational use
- No water detention or retention areas
- Free of adverse environmental conditions
- Does not exceed 50% floodplain designation

Recommendation: Developer Options

- Adjacency to park or trail
 - 100% credit applied to park development fee for capital improvements made to an existing park or trail if designed/built according to park standards
- Private parks
 - 100% credit applied to park land dedication and park development fees if parks and amenities are accessible to public and designed/built according to park standards
 - 50% credit for private parks not accessible to public; must be located at grade and of appropriate size for development

Recommendation: Developer Offsets/Credits

Dedicated park land may be used to meet tree mitigation requirements in accordance with Article X Landscaping and Tree Preservation if it meets specific requirements:

- Contains protected trees
- Suitable size, dimension, and topography
- Documentation provided describing legal and physical characteristics of land
- Meets publicly accessible private park standards (detailed in slide 19)

Recommendation: Developer Offsets/Credits

Common area in a community unit development (allows reduced lot sizes for dedicated common area) may be used to meet park land dedication requirements as allowed for private parks or public parks if dedicated as park land

Quality of Life, Arts and Culture Committee

- The committee inquired if the downtown park zone could be allocated into the other districts or support the park system in other areas
- Staff proposal:
 - In downtown park dedication zone, allow fees generated to make capital improvements in the downtown zone or the citywide trail network. Options include:
 - Making key connections and improvements to trail network will benefit new residents of zone
 - Downtown zone is hub of trail network
 - Limited land availability for acquisition of new parks in zone
 - Priority trail segments would be identified through an update to the Trail Network Master Plan, which would be approved by Park and Recreation Board and City Council

Requested Action

Recommend the proposed Park Land Dedication Ordinance as unanimously approved by the City Plan Commission with amendment to expand the use of fees generated in the downtown zone to support city-wide trail system.

Park Land Dedication Ordinance

May 16, 2018

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and Construction

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Appendix

Land Dedication Methodology

- Establish baseline level of service
 - Population/acreage of applicable parks = existing level of service
 - $1,197,816/4,276.9 = 280$ residents per acre, or 3.57 acres per 1,000 residents
- Establish land dedication requirement for development type
 - Residents per acre/census dwelling unit density = dwelling unit acreage requirement
 - SF = 2.8
 - MF 2+ beds = 2.2
 - MF 1 bed = 1.1
 - Hotel/Motel = 1.2

Fee-in-Lieu Methodology

- Determine value per square foot to acquire park land
 - \$1.75 per square foot = \$76,230 per acre
 - Park land acquisition typically ranges between \$0.50 and \$5.00 per sq. ft.
- Identify unit-level price per development type
 - Single acre price/unit count per acre dedication requirement
 - Single-family example: $\$76,230/100 = \762 per dwelling unit

Park Development Fee Methodology

- Establish cost to develop park land: \$600,000
- Determine number of people per park
 - Population/number of applicable parks
 - $1,197,816/287 = 4,174$
- Determine cost per person to develop a park
 - $\$600,000/4,174 = \144
- Determine cost per development type
 - Census density value x cost per person to develop a park
 - Single-family example: $2.8 \times \$144 = \403

Recommendation: Fee-in-Lieu

- Single-Family
 - \$762 per dwelling unit
- Multifamily
 - \$299 per 1-bedroom dwelling unit
 - \$600 per 2+ bedroom dwelling unit
- Hotel/Motel
 - \$327 per room

Recommendation: Development Fee

- Single-Family
 - \$403 per dwelling unit
- Multifamily
 - \$158 per 1-bedroom dwelling unit
 - \$317 per 2+ bedroom dwelling unit
- Hotel/Motel
 - \$173 per room

Park Land Dedication Research

- Dr. John Crompton, Distinguished Professor, Texas A&M University has conducted definitive research on park land dedication ordinances in Texas
- Published two academic papers that thoroughly detail dedication requirements and fees-in-lieu around the state
 - An Analysis of Parkland Dedication Ordinances in Texas
 - Parkland Dedication Ordinances in Texas: A Missed Opportunity?

Fee Benchmarking

- Arlington
 - Residential fee: \$1,257 to \$1,391 per unit
- Austin
 - Residential fee: \$1,075 to \$1,771 per unit
 - Hotel/Motel fee: \$837 per room
- Colleyville
 - Residential fee: \$1,802 per unit
 - Commercial fee: \$800 per acre
- Frisco
 - Residential fee: \$1,561 per unit

Fee Benchmarking

- Fort Worth (under revision – fees likely to increase)
 - Residential fee: \$500 per unit
 - Park development fee: \$30,000 per acre
- Grapevine
 - Residential fee: \$1,416 per unit
- Houston
 - Residential fee: \$700 per unit
- Lancaster
 - Residential fee: \$1,400 per unit
- Lewisville
 - Park development fee: \$750 per unit

Fee Benchmarking

- McKinney
 - Residential fee: Based on appraisal district value or independent appraisal of land
- San Antonio
 - Residential fee: Based on fair market value but “shall not exceed \$50,000 per acre”
 - Park development fee: Number of dwelling units x \$250
- Southlake
 - Residential fee: Based on annual land appraisal approved by City Council
 - Commercial fee: \$8,000 per acre

- **Recent Development Community Feedback**

The Real Estate Council (TREC) Formal Comments and Downtown Park Dedication Zone

TREC Comments

- TREC has written a letter of support for the ordinance with 10 clarifications/conditions
 - Objective criteria for when Park Department will accept a land dedication
 - Staff comment: If land meets all ordinance requirements (land acceptance standards) and is not within 0.5 miles of a Metro or Regional park, then land will be accepted
 - Apply Chapter 245 of Local Government Code exempting certain projects that have already vested prior to adoption of this ordinance
 - Staff comment: Local Government Code will be followed without exception

TREC Comments

- Confirm fees will be prorated for private open space that is less than 1 acre
 - Staff comment: Private park land that is not accessible to the public will be credited at 50% for any size as long as it meets the other provisions of the ordinance
- Amend definition for “at grade” requirement to provide that publicly accessible private land above or below grade is acceptable as long as it is accessible to pedestrians from ground level. Credit for non-accessible private park land should not have a grade requirement
 - Staff comment: projects will be evaluated on a case by case basis in order to ensure that public access is reasonable

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TREC Comments

- Extension of the implementation date from 12 months from the date of approval to 18 months from approval
 - Staff comment: CPC approved January 1, 2019. Staff has no objection to implementation 12 months from date of approval
- Relief or total exemption for affordable units
 - Staff comment: Will be considered as the comprehensive housing policy and corresponding ordinances are implemented
- Any dedication of park land should occur at the time of approval of the final plat or issuance of building permit, whichever come first
 - Staff comment: Proposed ordinance allows for either

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TREC Comments

- Eliminate the ability to adjust the fee 5% (up or down) annually. Recommend adjustment every five years at a rate of 5%.
 - Staff comment: Staff could support either the methodology.
- Specificity and certainty for when private park land will be eligible to receive credit. Current draft ordinance is too subjective.
 - Staff comment: all dedications will be reviewed individually but in all cases it must contain recreational amenities and have recreational value in order to meet the intent of the ordinance

TREC Comments

- Clarify the delivery timeline of park land both for the City and developers dedicating land
 - Staff comment: For conveyance of land to the City through the platting process, land will be maintained once legal documents are finalized and deeds filed and land will be open to the public within 3 months of filing with the County.
 - For publicly accessible private parks, land will be accessible within 6 months of either issuance of the Certificate of Occupancy for multifamily or hotel/motel projects or first final inspection for single family developments