

Smith, Taylor**Late Backup**

From: Heidi Gerbracht <[REDACTED]>
Sent: Monday, August 03, 2015 5:14 PM
To: Gallo, Sheri
Cc: Smith, Taylor
Subject: Item 58 on Thursday's agenda
Attachments: Questions on Parkland Development.pdf; parklandfeedbackfinal.pdf

Good afternoon Council Member Gallo and Taylor-

Hope you had a great weekend. The note below is from our Policy Chair, Melissa Neslund. Attached are questions we feel need answered in order to properly vet this item. I'm also attaching the letter we sent originally to staff after they briefed our policy committee on their proposal. We are grateful for your consideration and potential support of our request.

As always- thank you for your public service.
Heidi

Dear Council Member Gallo:

I am writing to you today to request a postponement of the date for public hearing about parkland dedication fees (item 58 on Thursday's agenda) so that staff and stakeholders can go back to the drawing board.

Though the staff indeed held "stakeholder meetings" and came and presented their plan to our policy committee, we cannot see any evidence that they have addressed the concerns we raised in either venue. They simply presented their plan to us. Attached here you will find the letter we provided them, as well as a list of questions that should be answered before such a significant fee increase (as well as the addition of a new fee, the parkland development fee.) Of course we are opposed to a fee increase because like all substantial fee increases it has a negative effect on the provision of market-rate affordable housing, but could accept one more easily if it was reasonable, supported with data, and was the result of a real stakeholder process. It's also worth noting, given RECA's public stand for a compact and connected city, that the draft plan incentivizes single family development rather than multi-family, and appears to move us further away from realizing the Imagine Austin plan.

I hope you will consider postponement of the public hearing on this item until such time as the attached questions can be answered and a real stakeholder process has been conducted.

Thank you for your time and consideration.

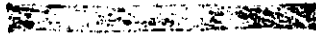
Melissa Neslund
 Chair, RECA Policy Committee

Heidi Gerbracht
 Vice President of Public Policy



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Questions on Parkland Development/Dedication Fee Changes

What are the criteria used in determining whether staff wants land or cash?

Has the staff budgeted to maintain the parks that we will add through this program? How can we add parks when we have underfunded parks maintenance?

What is the typical "throughput" of this fund? How quickly after a donation of cash is a park purchased and developed?

How does this program help us achieve equity in terms of where parks are located, since this fund must be used near where the donating development is located?

Why is park acreage per resident the right metric, as opposed to one that is more geographically focused?

Land in the central core is very expensive. What impact will the increase land dedication requirement have on density and affordability in the central core? Are we going to require very low density high cost housing if a landowner has to give up a large piece of highly valuable land for parks? How have you tried to balance the increased land dedication requirements with the high cost of land in the central core?

We know that city parks are already used/visited in very disparate amounts- some are "loved to death," and others are almost empty. Has there been any study of why the differences, park maintenance and operation spending by geographic area, and what can be done to spread visitors more evenly? (This information seems pertinent before we nearly double fees and potentially "bite off more than we can chew." The information would help us use parks more wisely, create better equity, and spend taxpayer dollars more smartly.

Did staff incorporate any of the feedback from stakeholders into their plan, or is the plan taken directly from the referenced study?

Is there information available about the affordability impact to renters and homebuyers from this fee increase?

**RECA**REAL ESTATE COUNCIL
OF AUSTIN

January 27, 2015

Ricardo Soliz and Randy Scott
Parks Department
City of Austin
200 South Lamar Blvd
Austin Texas 78704

Dear Mr. Soliz and Mr. Scott-

On behalf of the Real Estate Council of Austin (RECA), thank you for making time to brief our policy committee on the proposed changes to the Parkland Dedication Ordinance, including the addition of a Parkland Development Fee, increased fee-in-lieu costs and an increase in dedication of land requirements. We are pleased to be able to provide feedback to you.

First and foremost, we acknowledge the value and importance of public parkland and the impact on the quality of life for all Austinites. However, we must express our concern about this very substantial increase in fees. RECA is focused on increasing the affordability of homes in Austin, and we must caution you strongly that this increase is problematic. It is a substantial increase in and of itself, but when layered with the other fee increases and costly regulations that the City is considering and has implemented, it becomes a significant factor in the end cost of housing. Furthermore, the increased land dedication of 9.4 acres per 1,000 residents is nearly double what the current ordinance requires. Requiring nearly double the amount of on-site land dedication will also impact the project's affordability and ultimately the end user, the resident.

RECA would also like to urge the City to provide detailed information about the factors that are considered in the City's decision to require land or fees- we're aware that geography is part of this decision, but not the only factor. Knowing whether the city will require land dedication or a fee-in-lieu in an area will help developers with their feasibility analysis and allow for them to analyze the number of units, site planning and overall financial viability of the project. Detailed information about where the fees are spent and what they are used for should also be provided. Developers should be able to see how the fees benefit the ultimate buyer or renter of the development.

We remain concerned about the capacity of the City to maintain the parks that already exist, as well as the disproportionate use of various city parks. It is concerning to us that some parks are rarely if ever used, and that PARD's perpetual under-funding for parks maintenance means that these fees are not well-spent.

Lastly, the City also has Open Space dedication and/or fee-in-lieu requirements for most projects. There are provisions for Community Open Space and Private Common Open Space (generally residential projects and site plans over 2 acres are required to provide Open Space equal to 5% of the gross site area). This requirement is separate from the Parkland Dedication requirements, and in terms of quality of life for Austin residents, it seems to us that these two items are providing similar benefits.

We believe a closer analysis should be completed to understand how the combined Open Space and Parkland Dedication requirements impact projects' viability and affordability and whether we are actually meeting the needs of Austin residents when you look at the combined and cumulative impacts of Open Space and Parkland Dedication.

Again, thank you for the opportunity to provide this feedback. We appreciate the relationship we have with the City of Austin and the Parks and Recreation Department.

Sincerely,

A handwritten signature in black ink, appearing to read "Mel Neslund". The signature is fluid and cursive, with a large loop at the end.

Melissa Neslund,
Chair, RECA Policy Committee

A handwritten signature in black ink, appearing to read "Heidi Gerbracht". The signature is cursive and somewhat stylized.

Heidi Gerbracht
Vice President of Public Policy

Smith, Taylor

From: Geoffrey Tahuahua <[REDACTED]>
Sent: Monday, August 03, 2015 4:43 PM
To: Gallo, Sheri
Cc: Smith, Taylor; Emily Lubbers
Subject: Parkland Ordinance Postponement

Dear Council Member Gallo,

In August of last year a resolution was passed by Council to amend the 2007 Parkland Dedication Ordinance. This month the council will be examining the proposed changes to the 2007 Ordinance and the Home Builders Association of Greater Austin (HBA) is concerned that there are still too many questions left unanswered to move forward at this time. This includes:

1. This will negatively impact affordability.
 - a. As the fee will likely increase every three years when it is re-examined it will continue to make owning a home further out of reach.
 - b. With every \$1,000 increase in a home's median price, 22,000 Texas households are priced out of the market.
2. This regulation would add to the over \$10,000 in increased costs and fees added by the City of Austin in the last 12 months. Including:
 - a. Mandatory Ramps and no-step entrances from Visitability Ordinance: \$2,000-\$5,000
 - b. Prohibiting the use of electrical journeymen subcontractors: \$2,000
 - c. Impact Fee increases: \$5,600
 - d. Electric Line Extension Fees: \$2,000
3. The parks department is underfunded and this would increase the amount of areas that they are to maintain.
 - a. City could be forced to increase or create new fees in order to maintain the new areas generated

The HBA would welcome postponement of the Parkland Ordinance revisions until our questions and concerns are answered and solutions have been found.

Thank you for your time—and all that you do for our city. We look forward to continue working with you and your office.

--

Geoffrey Tahuahua

Vice President of Public Policy

Home Builders Association of Greater Austin

[REDACTED] Direct: [REDACTED] Mobile: [REDACTED] Twitter: [REDACTED]

About the Home Builders Association (HBA) of Greater Austin:

Since 1953, the HBA has served as the leading not-for-profit trade organization dedicated to residential construction and remodeling in Central Texas. The HBA works with government, public, business and community organizations in six counties – Bastrop, Caldwell, Hays, Lee, Travis and Williamson – to protect every family's right to home ownership.

www.hbaaustin.com | [Facebook](#) | [Twitter](#)

Have your special event or corporate meeting at the HBA's Phillips Event Center.

NAHB Member Discounts

Smith, Taylor

From: Eric Goff [REDACTED]
Sent: Monday, August 03, 2015 3:37 PM
To: Adler, Steve; Cortez, John Michael; Houston, Ora; Garza, Delia; Nicely, Katherine; Renteria, Sabino; Fisher, Ashley; Casar, Gregorio; Lawler, John; Kitchen, Ann; Zimmerman, Don; Pool, Leslie; Troxclair, Ellen; Tovo, Kathie; Gallo, Sheri; Smith, Taylor
Cc: board@lists.aura-atx.org; Cofer, Rick - BC; Audrey McGlinchy
Subject: Parkland Dedication Fees
Attachments: MArtinez.pdf; Spelman.pdf; Morrison.pdf

Council and staff,

I'm Eric Goff, and I'm on the board of AURA. At AURA, we're focused on building an Austin for Everyone through abundant housing and better public transportation. Part of our platform calls for better utilizing our public parks by locating more housing near them - and make better child-friendly urban spaces.

With that in mind, we have some concerns about agenda item 58 on this week's Council agenda. The item calls for increasing the cost of parkland dedication fees for new housing, based on a "parks per person" metric. This metric seems to turn good park policy on its head. The best parks in the world are ones that people go to, are well-maintained, and are accessible. The Trust for Public Land's 2015 City Park report rates cities on a number of metrics, including the number of parks per person (the metric used in the parkland dedication fee proposal) and accessibility to parks. Austin has an excellent ratio of parks per person - 30.6 acres per 1,000 people. However, only 48% of our population can get to a park in a ten minute walk. Fees like the parkland dedication fee can be a useful tool, but we need to think about what we're trying to get out of it.

In fact, the parkland dedication fee has several restrictions on its use. PARD must spend the money in the area that the fee was collected from, the fee can't be used for ongoing operations and maintenance of parks, and can't be used to implement the city's Park Master Plan. For citations to prove these points, I've attached budget RFI's from prior Councilmembers Martinez, Morrison, and Spelman on this very topic. The Parkland dedication fee can only be used for new parkland acquisition and new infrastructure at parks. When we are already having a difficult time keeping pools open in the summer and funding our existing parks, and are making budget tradeoffs to keep them funded, building up a war chest that must be spent on new parkland without a mechanism to fund ongoing operations and maintenance will create a future unfunded mandate for Council - and more hard choices about whether we can maintain our pools.

There is another choice: by allowing more multifamily housing near underutilized parks (and schools), we can increase the tax base of the city to help fund the ongoing operations of existing parks while making sure that our parks become great ones - where families take their kids because it's a short walk from home. More multifamily housing has a higher tax base benefit and could be a tool to help deal with our housing crisis in Austin.

Unfortunately, the proposed park land dedication fee actually creates an opposite incentive. Although the fee is lower for higher density, it doesn't account for the fact that higher density means more people per acre, so the cost for a higher density project is much higher than single family homes. This creates a disincentive for the kinds of development that we need to keep our existing parks funded - the exact opposite of what we need.

The park land dedication fee, park policy, and the way to fund our parks and make them more useful for more people is something that takes careful effort and thought. We encourage the city council to take its time and consider the full range of related issues before passing a policy that could have some unintended consequences.

Thanks,

Eric Goff, on behalf of the AURA Board



**2014-2015 PROPOSED BUDGET
RESPONSE TO REQUEST FOR INFORMATION**

DEPARTMENT: PARD

REQUEST NO.: 14

REQUESTED BY: Martinez

DATE REQUESTED: 5/13/14

DATE POSTED: 8/13/14

REQUEST: Can Parkland Dedication (PLD) Funds be used for park master plan efforts?

RESPONSE:

Parkland Dedication Funds (PLD) are collected by the municipality to make physical improvements to the park infrastructure due to population growth. There should be a quantitative relationship between parkland dedication fees collected from the developer and the increased demands of the proposed development to its park system. Therefore, PARD invests Parkland Dedication Fees on physical improvements to the park system to address the newly added population and growing demand for park and recreation opportunities. Parkland dedication fees cannot be used for master plan efforts.

**2014-2015 PROPOSED BUDGET
RESPONSE TO REQUEST FOR INFORMATION**

DEPARTMENT: PARD

REQUEST NO.: 25

REQUESTED BY: Spelman

DATE REQUESTED: 5/13/14

DATE POSTED: 7/19/14

REQUEST: Can Parkland Dedication Funds (PLD) be used for general maintenance purposes in parks?

RESPONSE:

Parkland Dedication Funds (PLD) are collected by the municipality to make physical improvements to the park infrastructure due to population growth. There should be a quantitative relationship between parkland dedication fees collected from the developer and the increased demands of the proposed development to its park system. Therefore, PARD invests Parkland Dedication Fees on physical improvements to the park system to address the newly added population and growing demand for park and recreation opportunities. Parkland dedication fees cannot be used for maintenance or operations.

**2013-2014 PROPOSED BUDGET
RESPONSE TO REQUEST FOR INFORMATION**

DEPARTMENT: PARD

REQUEST NO.: 205

REQUESTED BY: Morrison

DATE REQUESTED: 9/4/13

DATE POSTED: 9/6/13

REQUEST: Please explain the limitations on the use of Parkland Dedication funds, and identify any one-time expenditures in the General Fund that could be covered with these funds.

RESPONSE:

The limitations required for expending fees include a timeframe for expenditure (5-10 years: Land Development Code (LDC) Section 25-1-605(F)), a process for refund (LDC Section 25-1-605(G)), and can only be used to buy land or for improvements to parkland according to a park system plan that divides the jurisdiction into geographic districts or service areas defined by the Parks and Recreation Department (LDC Section 25-1-605(E)). According to existing case law, these fees cannot be used for maintenance or operations, and therefore the department believes Parkland Dedication funds would not be appropriate for the one-time expenses currently being proposed for FY 2013-14 from the General Fund expenditures

Current operating practice of the department is that Parkland dedication fees are allowable when the expenditure conforms to the following:

- Parkland dedication fees can only be used for the acquisition of land or new park improvements
- Land acquisition or improvement must benefit the development from which it was generated; therefore, it must be spent according to a park system plan that divides the jurisdiction into geographic districts or service areas defined by the Parks and Recreation Department
- Fees cannot be used for maintenance or operations