

HB 1526 Parkland Dedication FAQs

OVERVIEW

1. What will be the effect of the new bill/state law?

The new law changes how parkland dedication can be administered for cities with a population over 800,000 when applied to multifamily and hotel/motel developments. In Austin, it will impact the parkland fee schedule for multifamily, and hotel/motel units and change the criteria and processes for onsite parkland dedication.

2. What are some of the main differences in the old and new system?

- Multifamily and hotel/motel parkland dedication will be capped at 10% of the gross site area for properties all over the city.
- The parkland dedication fee is a single fee encompassing both parkland acquisition and development and will be calculated using the average appraised value of the geographic area that the property is located in and multiplied by density and dwelling unit factors outlined in the bill.
- Multifamily and hotel/motel parkland fees will be collected at the time of Certificate of Occupancy.
- The Parkland Early Determination (PED) process will have a hard deadline of 30 days for PARD to deliver a letter and will be valid for up to two years provided there are no changes to *the* proposed development.
- The process to appeal a determination made by PARD has changed.

3. What are the geographic areas?

The geographic areas are: Central Business District, Urban, and Suburban. These areas were adopted by Council on November 9, 2023; Council made some changes to staff's original proposal which was based on Imagine Austin. The map is now available on the [parkland dedication page](#).

4. Do I need a Parkland Early Determination?

PEDs are no longer required for subdivision completeness check, however they are still highly encouraged.

5. Where can I read the new bill?

You can read the new bill that is available on the Texas Legislature's website:
<https://capitol.texas.gov/tlodocs/88R/billtext/html/HB01526F.htm>

APPLICABILITY

6. What types of applications will this apply to?

Subdivision or site plan applications that include multifamily, hotel, or motel units filed on or after January 1, 2024. Revisions are considered site plans per the code. Corrections are not considered new site plans, but if new units are added for a Correction that is submitted on or after January 1, new fees would apply.

7. What about development in the ETJ?

Development in the ETJ is governed by [LDC Title 30](#), which will not be changing.

8. What about Single Family?

The new law does not affect Single Family. Parkland dedication requirements for single family (e.g. subdivisions) are unchanged.

9. What about Commercial?

Per the new law, there will no longer be parkland requirements for any type of commercial (non-residential, non-hotel) development with applications filed on or after January 1, 2024.

10. Will affordable units have requirements?

As in current code, units certified affordable under federal, state, or local laws, are exempt from parkland dedication requirements and will continue to be.

11. Will applications currently in review be reviewed under the new or old system?

Applications that were submitted before 01/01/2024 will still be reviewed under the old code and fee schedule.

12. What if an applicant would prefer the new ordinance or fees?

Applicants may have the option to withdraw and resubmit their applications after January 1, 2024 in order to be reviewed under the new ordinance and fees. Otherwise, the old ordinance and fees will still apply.

FEES

13. What is the new fee schedule?

The new fee schedule was adopted by Council on 12/14/2024 ([item 47](#)). The fee schedule is now available on the [parkland dedication page](#).

14. How are the new fees calculated?

The new Parkland Dedication Fee for multifamily and hotel-motel developments, uses the following formula:

$$\frac{(\# \text{ mf units} \times 0.005) + (\# \text{ hm units} \times 0.004) \times \text{average land value of geographic area}}{\text{density factor of the geographic area}}$$

To determine the new parkland dedication fee, multiply the number of multifamily dwelling units by the multifamily (mf) dwelling unit factor, then add the number of hotel-motel (hm) units multiplied by the hotel-motel dwelling unit factor, and multiply the result by the average land value of the geographic area. Finally, divide by the density factor of the geographic area.

Dwelling Unit Factors*:

Dwelling unit factor for multifamily units: 0.005

Dwelling unit factor for hotel-motel units: 0.004

*dwelling unit factors are the same regardless of geographic area

Density Factors:

Density factor CBD: 40

Density factor Urban: 4

Density factor Suburban: 1

The per unit fees can be calculated as follows:

Geographic Area	Per Unit Residential Formula	Per Hotel Key Formula
CBD	0.005 x CBD avg value / 40	0.004 x CBD avg value / 40

Urban	0.005 x Urban avg value / 4	0.004 x Urban avg value / 4
Suburban	0.005 x Suburban avg value / 1	0.004 x Suburban avg value / 1

Average Land Value: is the average appraised value per acre of land, these numbers are provided by the appraisal districts (Travis, Hays and Williamson County) and are specific to the geographic area: CBD, Urban and Suburban.

Geographic Area	Average value per acre
CBD*	\$17,631,029
Urban*	\$4,657,575
Suburban**	\$1,363,105

The 2024 per unit fees are as follows:

Geographic Area	Per Unit Fee	Per Hotel Key Fee
CBD	\$2,203.88	\$1,763.10
Urban	\$5,821.97	\$4,657.58
Suburban	\$6,815.53	\$5,452.42

LAND DEDICATION

15. How is parkland dedication calculated under the new bill/ordinance?

Parkland is calculated by multiplying the dwelling unit factor by the number of proposed units.

The formula for calculating parkland acres owed is:

$$\text{Parkland owed (in acres)} = (0.005 \times mf \text{ units}) + (0.004 \times hm \text{ units})$$

However, the ordinance has a “land cap” of 10% of the gross site area excluding commercial square footage.

The formula for determining the Gross Site Area Excluding Commercial Square Footage is:

$$\text{Gross Site Area} - \left[\text{Gross Site Area} \times \left(\frac{\text{Commercial Sq Ft}}{\text{Gross Site Area}} \right) \right]$$

The formula for determining the max land owed on a site (10% cap) is:

$$\text{Gross Site Area Excluding Commercial Sq Ft} \times 0.10$$