

FY 2023-2024 BUDGET QUESTION
Response to Request for Information

DEPARTMENT(S): Parks and Recreation Department

CBQ NO.: 112

REQUESTED BY: Alter (D10)

DATE REQUESTED: 07/25/2023

DATE POSTED: 08/10/2023

REQUEST: Please provide information on how the parkland dedication fee is structured in this year's budget. Please detail how HB 1526 sponsored by Rep. Cody Harris has impacted parkland funding and how the projected revenue from this fee compares to FY23. Please provide any additional information Council may require in order to understand how PARD's provision of parkland will be impacted by this regulatory change.

RESPONSE:

The proposed budget maintains the FY23 Parkland Dedication (PLD) fee structure and levels, including the recently adopted commercial fees, and will be in effect for all development applications submitted before January 1. PARD staff anticipate a budget amendment for the fee schedule will be brought to Council along with a new ordinance for parkland dedication before the end of the calendar year to comply with new state law.

Please reference the response to Resolution No. 20220519-089 for additional information:

<https://services.austintexas.gov/edims/document.cfm?id=394146>

The adopted bill defers the PLD fee collection to time of certificate of occupancy instead of the time of site plan approval as it is collected today. This will result in a delay in future fee collection as compared to the current fee collection timeframe. Additionally, PARD estimates the amount of parkland dedication fee per multifamily dwelling unit, or hotel, or motel unit will decrease.

For development applications submitted on or after January 1st, cities are prohibited from requiring parkland dedication for commercial development. Commercial parkland dedication revenue was projected to contribute about 5% of the overall PLD revenue.