

Category	Question	Response
affordability	Have you done an economic impact statement to measure the affordability impact of this proposed additional fee? \$2 psf for office is not small and creates concern that office rents will be raised impacting jobs and pay rates.	City Code § 2-5-2 states that the city manager shall prepare a fiscal note for a proposed ordinance, resolution, or policy that could create an expense for the City, including a modification to the City's budget, a capital improvement project, or a council initiated matter before it is submitted to the council. To clarify, the combined per square foot fee for office is \$1.75. This fee would have a positive impact on the city's budget by accounting for the impact to the park system caused by new commercial development. PARD shall confirm with the Housing and Planning Department on the issuance of an Economic Impact Statement regarding affordability.
affordability	In the different categories, are there any excluded categories? Different types of businesses that don't have to do parkland dedication?	We are still evaluating the applicability of the ordinance based on stakeholder and survey feedback. Schools and governmental entities are both subject to different land development code requirements and would not be subject to the Commuter Commercial Parkland Dedication Ordinance.
affordability	In the office example, what is the proportion of the impact of the fees to the overall cost of the office development?	According to a proforma prepared by Cummings in 2019, cost per square foot to build a typical commercial building is anywhere between \$147/sq ft - \$657/sq ft, depending on the construction type, in Dallas, Texas. This estimate only accounts for 'hard costs' of construction, not the land acquisition, building design or contractor/developer overhead. Cost of parkland dedication fees currently range from \$0.63/sq ft to \$1.75/sq ft depending on the commercial building category. This is equivalent to about 0.27- 0.42% of the 'hard costs'.
affordability	Can you provide a list of all COA development related fees in addition to proposed commercial PLD fee, including a Brief explanation/estimate/range of what a developer would pay for each of the fees.	The Development Services Website lists several fee schedules for different types of developments: https://www.austintexas.gov/department/fees . A worksheet is provided specific to the fees applied to Commercial Developments.
affordability	Any language about why fees are not the reason for "affordability issues." What percent of the total project cost the PLD fees would be.	According to a proforma prepared by Cummings in 2019, cost per square foot to build a typical commercial building is anywhere between \$147/sq ft - \$657/sq ft, depending on the construction type, in Dallas, Texas. This estimate only accounts for 'hard costs' of construction, not the land acquisition, building design or contractor/developer overhead. Cost of parkland dedication fees currently range from \$0.63/sq ft to \$1.75/sq ft depending on the commercial building category. This is equivalent to about 0.27- 0.42% of the 'hard costs', and an even lower percentage of the overall project costs. Parkland dedication can actually contribute to lower land costs and an increased demand for affordable units, please see the attached flow chart in attached Exhibit A.
applicability exceptions	Is there a scale of where these fees will apply? small commercial, medium and large commercial??	There is no proposed minimum development size. Any additional square footage must satisfy parkland dedication requirements.
applicability exceptions	Could there be some MBE/WBE/etc. developments that City would want to be exempt?	Exemptions are being considered and would function similar to the Certified S.M.A.R.T. housing exemption. See existing language: "§ 25-1-601 - GENERAL PROVISIONS. C) The following are exempt from the requirements of this article:(1)a subdivision or site plan for which parkland was previously dedicated or payment made under this title, except for the dwelling units or lots that exceed the number for which dedication or payment was made;(2)development within the City's extraterritorial jurisdiction that is within Travis County and governed by Title 30 (Austin/Travis County Subdivision Regulations); and(3)affordable dwelling units that are certified under the S.M.A.R.T. Housing Policy approved by the city council."
covid	Businesses are changing drastically in part due to covid, when occupancy load and hours work change in the future, how do staff make sure the fee fluctuations are fair and equitable knowing that there is a significant gap between the time of fee determination vs actual development permit? How does the proposed PLD commercial calculation take into account companies or business that offer Hybrid work schedules (meaning employees work from the office some days and from home other days)?	Parkland dedication fees are adopted annually as part of the budget process. Fees go into effect annually on October 1 without exception. The development community can rely on and anticipate this annual fee change. The Commercial Parkland Dedication formula takes occupancy rates of leased office space into account when setting the fee rate. Occupancy rates are adopted from third party reporting and incorporated into the formula in the April preceding the October 1 fee adoption annually. The April occupancy rate reporting remains in effect until the following year, where it is adjusted. If a development application is submitted in February of 2024, they will be subject to the April 2023 occupancy rates, and have until October 1, 2024 to pay those fee rates. If a development application is submitted in September 2024, they will be subject to April 2023 fee rates until October 1, 2024. If the development application has not paid their fees by October 1, then they will be subject to April 2024 occupancy/fee rates. Several parts of the formula are reevaluated on an annual basis, including the building occupancy rates (percentage of commercial spaces leased out), the percentage of commuting workforce, and the per person cost of parkland acquisition and development. PARD shall investigate sources for updating employee density to account for changes in work arrangements. PARD anticipates employers will consider post-pandemic occupancy levels when planning their future offices.
covid	How will the work from home changes be accounted for going forward? Proposed: Look at occupancy rate based on percentage of population that actually commutes in as opposed to work at home/hybrid.	Parkland dedication fees are adopted annually as part of the budget process. Fees go into effect annually on October 1 without exception. The development community can rely on and anticipate this annual fee change. The Commercial Parkland Dedication formula takes occupancy rates of leased office space into account when setting the fee rate. Occupancy rates are adopted from third party reporting and incorporated into the formula in the April preceding the October 1 fee adoption annually. The April occupancy rate reporting remains in effect until the following year, where it is adjusted. If a development application is submitted in February of 2024, they will be subject to the April 2023 occupancy rates, and have until October 1, 2024 to pay those fee rates. If a development application is submitted in September 2024, they will be subject to April 2023 fee rates until October 1, 2024. If the development application has not paid their fees by October 1, then they will be subject to April 2024 occupancy/fee rates. Several parts of the formula are reevaluated on an annual basis, including the building occupancy rates (percentage of commercial spaces leased out), the percentage of commuting workforce, and the per person cost of parkland acquisition and development.

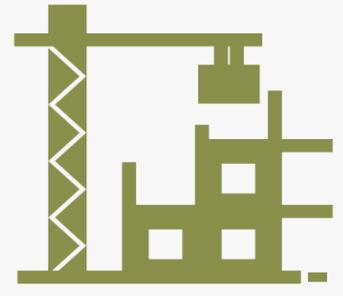
Category	Question	Response																
covid	Are we truly accounting for post-pandemic occupancy?	New requirements are only imposed on new commercial development. New office developments will be built to account for shifts in physical occupancy as a result of the COVID-19 pandemic and new hybrid work models. Requirements are calculated on a per square foot basis, meaning if new office space is reduced to account for a decrease in usage, any requirements associated will be decreased as a result. For companies adopting a hybrid work model, it is typical that employees "hotel" wherein multiple employees share a work station and are required to be in office on separate days. In these cases, the office operational hours remain the same and the physical occupancy of the development remains the same. Additionally, the functional population calculation includes a reduction based on market occupancy percentage. This percentage would be updated annually similar to the hotel occupancy rate. During the COVID-19 pandemic, occupancy rates for hotels dropped drastically in the Austin area, as a result the requirements dropped as well.																
effective date	Suggestion: other ordinances the SDP fees are vested at site plan submittal date. At what point in the development process will projects be grandfathered?	Thank you for your suggestion, this will be taken into consideration. Effective date has not been determined yet.																
effective date	Is there an implementation plan? Is there a phasing plan?	There is no effective date established at this time, it is likely the effective date will be closer to 2023. Fees will go into the budget in 2022.																
input	Community stakeholders will have future opportunities to meet? Is the survey close date June 12 a hard date?	The survey will now run through Sunday, July 10th, the date has been moved to accommodate a new Boards and Commission schedule and allow more time for stakeholder feedback.																
open space	Will commercial properties get credit for onsite open space and facilities that employees can use (similar to how residential properties get credit for private amenities)?	On-site open space that meets park dedication requirements and is dedicated by easement or deed would be eligible for credit towards parkland dedication requirements																
open space	Has PARD met with other departments to determine how this new ordinance affects other parts of the code, if there are overlaps or conflicts?	PARD has met with other departments to discuss the ordinance and does not anticipate overlaps or conflicts.																
open space	DSD has open space requirements that are separate from impervious cover requirements. It may result in double the amount of land being dedicate. Want to ensure that DSD is not requiring additional open space if parkland is already dedicated.	Private open space is a broad category that has more to do with site design standards than providing any actual recreation. These spaces often have zero recreational value, and are distinct from parks in their design and public access. Parks are specifically for creating community, as our Director has stated in her mission, and private open spaces are incapable of that given their private nature. Fundamentally, the difference is in how the land is conveyed to the public for use. 'Private Common Open Spaces and Pedestrian Amenities' are not conveyed to the public in either deed or easement, but remain in private control and can be changed or closed at the discretion of the building management. They are also not subject to the same accessibility standards as public open space. Parkland is conveyed to the City via a Charter Protected easement or deed and remains open to the public in perpetuity, becoming part of the essential park infrastructure in the city. As in the existing residential parkland dedication ordinance, dedicated parkland may be counted toward open space requirements.																
precedent	Show fee comparison between other cities? Show the chart in the presentation, where our fee sits in comparison to the other commercial fees across the country.	A table has been added to the presentation to show where PARD's fees sit in comparison to the per square foot cost of Belmont, California and Atlanta, Georgia. Note that both Belmont and Atlanta's fees are park impact fees, not parkland dedication. The other commercial parkland dedication ordinances mentioned in the study include El Paso, Hutto and Colleyville, and all their fees are proportionate to the number of acres of the development's land parcel, not the square feet of the building. The fees are therefore not comparable in the same table. <table border="1" data-bbox="1131 1613 1845 1742"> <thead> <tr> <th>City</th> <th>Office fee cost per Sq ft</th> <th>Retail fee cost per Sq ft</th> <th>Industrial/Warehouse fee cost per Sq ft</th> </tr> </thead> <tbody> <tr> <td>Belmont, California*</td> <td>\$3.16</td> <td>\$1.90</td> <td>\$1.27</td> </tr> <tr> <td>Atlanta, Georgia*</td> <td>\$1.20</td> <td>\$0.54</td> <td>\$0.23</td> </tr> <tr> <td>Austin, Texas</td> <td>\$1.75</td> <td>\$1.55</td> <td>\$0.64</td> </tr> </tbody> </table>	City	Office fee cost per Sq ft	Retail fee cost per Sq ft	Industrial/Warehouse fee cost per Sq ft	Belmont, California*	\$3.16	\$1.90	\$1.27	Atlanta, Georgia*	\$1.20	\$0.54	\$0.23	Austin, Texas	\$1.75	\$1.55	\$0.64
City	Office fee cost per Sq ft	Retail fee cost per Sq ft	Industrial/Warehouse fee cost per Sq ft															
Belmont, California*	\$3.16	\$1.90	\$1.27															
Atlanta, Georgia*	\$1.20	\$0.54	\$0.23															
Austin, Texas	\$1.75	\$1.55	\$0.64															
precedent	In Hutto or Colleyville or El Paso- please provide talking points or examples of how they're charging and expending their fees.	Colleyville uses parkland dedication fees to fund capital improvement projects throughout the City. In 2021, Parkland Dedication funds accounted for .75% of the funding sourced for CIP projects. Funds have contributed to CIP projects including the planned purchase/construction of new amenities at City Park. In FY2020 El Paso added 22.16 acres to their park system through Parkland Dedication (residential and commercial requirements). In the same year, the City received over \$9M in Parkland Dedication fees, over \$8M of which has been allocated to park acquisitions and improvements across the City. Notable projects include a new playscape at Inca Dove Park, as well as the dedication of North Desert Park and Holly Springs Linear Park.																
precedent	Please send examples of park trail connections that are not captured in the existing ordinance.	4900 S Congress is a good example of a commercial development along an existing greenbelt. The property is the only remaining gap in the Williamson Creek East Greenbelt from S 1st Street to Pleasant Valley Drive. 8522 Connor Drive is another example of a commercial development along a greenbelt. The property has over 2,600 linear feet of creek frontage along Little Walnut Creek Greenbelt. PARD completed several recent acquisitions along this greenbelt in the last year and the trail system is an important east-west connection.																
precedent	Some "success stories" of the current PLD program. What specific parcels have been purchased? What amenities have been added to parks? We would prefer this in a compelling narrative form rather than us having to make sense of a spreadsheet.	Our Parkland Dedication Storymap provides several examples embedded in the webpage. We also have a Parkland Dedication Gallery featuring some older parkland dedication parks. Our 2020 Parkland Dedication Year in Review storymap features 3 significant park projects that were funded or dedicated by parkland dedication. Fontaine Plaza and Wood Street in particular are both adjacent to commercial developments and act as a recreational resource for residents, employees and customers alike. We also have a Youtube Channel Playlist specifically for parkland dedication parks. Finally, we put together a comprehensive video on the success of leveraging parkland dedication funding with bond funding to purchase parkland, and reviews all the parkland acquired or developed from October 2018-October 2021. Growing Austin's Parkland: Acquisition Overview 2021 . Review of parkland dedication starts at 8:10.																

Category	Question	Response
procedure	Shouldn't there be a way to qualitatively measure the level of service in system wide park to validate this requirement? (Not just a survey of how people feel about parks but counting traffic at different times of days, different days of the week and parks at different land context)	The expectation of parkland, set by Council Resolutions, is to provide accessible, open parkland to all Austinites within a quarter or half mile walking distance, depending on location in or out of the urban core. The level of service is measured by the number of acres of parkland per 1,000 residents. This is a standard measurement of service level throughout the U.S. The level of service is not directly tied to park usage, as park usage varies throughout the day, week as well as by facility type, and a count across the various types of facilities would not provide a universal level of service measurement.
procedure	Can you please remind the stakeholders about when the proposed PLD commercial requirement would apply to a property? Does it only get applied when a property goes through a zoning case, or when a site plan is applied for, etc? For existing property owners, would the PLD commercial requirement be applied if a business decides to expand their existing building?	Parkland dedication is a local government requirement imposed on subdivision and site plan applications mandating the dedication of land for a park and/or the payment of a fee to be used by the governmental entity to acquire land and/or develop park facilities. The City of Austin passed its first Parkland Dedication Ordinance in 1985, updated in 2007 and again in 2016.
procedure	Does PARD plan to use the revenue generated from the PLD commercial to offset and lower the PLD fees for residential?	Changing the fee calculation methodology of the residential parkland dedication ordinance would be a policy decision directed by City Council.
procedure	Will PARD proactively conduct public outreach each year about the PDL fees (residential and commercial) in advance of the budget similar to what DSD does? So that the public is adequately aware of any proposed changes in PDL fees.	Yes, PARD conducts public outreach annually to inform stakeholders of new parkland dedication fees.
procedure	How long do these fees sit in an account before they are used?	See City Code Section 25-1-607 - FEE PAYMENT AND EXPENDITURE: (C)The City shall expend a fee collected under this article within five years from the date the fees are appropriated for expenditure by the director. This period is extended by five years if, at the end of the initial five-year period, less than 50 percent of the residential units within a subdivision or site plan have been constructed.(D)If the City does not expend a fee payment by the deadline required in Subsection (C), the subdivision or site plan applicant who paid the fee may request a refund under the requirements of this subsection.(1)A refund may only be requested for unbuilt units for which a fee in-lieu of dedication was paid. The refund request must be made in writing and filed with the Parks and Recreation Department not later than 180 days after the expiration of the deadline under Subsection (C).(2)If the refund request is timely filed, the director shall:(a)refund the amount of unspent fees that were collected under this article in connection with approval of a subdivision or site plan; and(b)if a site plan for which fees were assessed was subsequently revised to reduce the number of units, recalculate the amount due based on the reduced number of units and refund any fees paid in excess of that amount.
procedure	When does the developer have to pay this fee? What part of the permit process?	See City Code Section 25-1-605 (Fee In-Lieu of Parkland Dedication) and Section 25-1-606 (Parkland Development Fee) (1)If a fee in-lieu of dedication or a parkland development fee is required as a condition to subdivision approval, the applicant must deposit the fee with the City before final plat approval. The applicant may defer payment of a fee until site plan approval unless development proposed within the subdivision is exempt from the requirement to submit a site plan under Section 25-5-2 (Site Plan Exemptions).(2)If a fee in-lieu of dedication or a parkland development fee is required as a condition to site plan approval, the applicant must deposit the fee with the City before the site plan may be approved.
procedure	Is the ordinance going to have a term? How do the fees change from year to year?	Per the existing parkland dedication ordinance "25-1-605 (D)The amount of the fee in-lieu of parkland dedication is established in the annual fee schedule based on a recommendation by the director in accordance with this subsection." The parkland requirements for office, retail, and industrial can be calculated with the formula attached in Exhibit C

Category	Question	Response
requirements	Will there be a mechanic to adjust the requirement based on surrounding land context (a worker in an office at the edge of the city vs urban core will have different demand)?	Yes, the park deficiency map is adjusted using the boundaries of the 'Urban Core'. This map is a factor in determining whether parkland dedication requirements should be met with land dedication or fees-in-lieu. A commercial development outside of the 'Urban Core' is subject to a ½ mile walking distance service area, meaning there is a greater distance between park deficient areas outside the Urban Core to account for the surrounding land context. A commercial development inside the 'Urban Core' is subject to a ¼ mile walking distance service area, meaning there is a smaller distance between park deficient areas, creating a more frequent occurrence of parkland dedication requirements being satisfied w land dedication.
requirements	Is this ordinance applied to only new development?	Yes: Parkland dedication is a local government requirement imposed on subdivision and site plan applications mandating the dedication of land for a park and/or the payment of a fee to be used by the governmental entity to acquire land and/or develop park facilities
requirements	When/if downtown becomes built out and your site has already paid. What happens when that building gets demolished and another one goes in?	Net new units would be required to satisfy any parkland dedication requirements. See existing exemption language: "§ 25-1-601 - GENERAL PROVISIONS. C) The following are exempt from the requirements of this article:(1)a subdivision or site plan for which parkland was previously dedicated or payment made under this title, except for the dwelling units or lots that exceed the number for which dedication or payment was made;(2)development within the City's extraterritorial jurisdiction that is within Travis County and governed by Title 30 (Austin/Travis County Subdivision Regulations); and(3)affordable dwelling units that are certified under the S.M.A.R.T. Housing Policy approved by the city council."
requirements	Can you symbolize which numbers in your formula are static and which are annually updated.	<p>In each of the formulas below Occupancy Rate and Percent Commuter will be updated annually: Office: 300 sq ft / person X occupancy rate for use (92 percent) X operation time (23.8 percent) X percent commuter (58 percent) Retail: 550 sq ft / person X occupancy rate for use (95 percent) X operation time (37.5 percent) X percent commuter (58 percent) Industrial: 2,500 sq ft / person X occupancy rate for use (94 percent) X operation time (70.8 percent) X percent commuter (58 percent)</p> <p>Additionally, the per person Parkland Cost Factor and Park Development Cost Factor used to calculate the fee-in-lieu of dedication and park development fee are updated annually as with the existing residential ordinance. See existing formula: (2)For purposes of determining the fee in-lieu under Subsection (C)(1): Land Cost Per Person = Parkland Cost Factor / Parkland Level-of-Service, where: (a)"Parkland Cost Factor" is determined by the director based on the average purchase price to the City for acquiring an acre of parkland, excluding a metro or district park or golf course; and(b)"Parkland Level-of-Service" is: City Population / Net Park Acreage, where "City Population" is determined by the city demographer and "Net Park Acreage" is the total citywide acreage of neighborhood parks, pocket parks, and greenways, as determined by the director prior to adoption of the annual fee ordinance by the city council. (2)For purposes of determining the development fee under Subsection (B)(1): Park Development Cost = Park Development Cost Factor / Park Facilities Level-of-Service, where: (a)"Park Development Cost Factor" is determined by the director based on the average cost of developing an acre of parkland up to the standards of a neighborhood park; and(b)"Park Facilities Level-of-Service" is: City Population / Number of Developed Parks, where "City Population" is determined by the city demographer and "Number of Developed Parks" is the total number of parks developed with a recreational amenity or trail, as determined by the director prior to adoption of the annual fee ordinance by the city council. The formula is also found in Exhibit C.</p>
requirements	How often is land required? How often is ALL land required.	<p>Currently we estimate that land is required for residential developments about 10% of the time. It is typical for a development to satisfy the parkland requirement with a combination of land dedication and fees-in-lieu. It is rare for a development to satisfy 100% of their land requirement with land dedication, it is more likely that a portion will be satisfied by land dedication and the rest by payment of fees-in-lieu. New commercial developments account for approximately 11% of all new development in Austin based on square feet submitted for development review. Since there is a lower frequency of commercial development applications, there will likely be a lower frequency of land dedication requirements.</p> <p>The land requirement for commercial developments will be determined utilizing criteria matching or similar to the current residential criteria: § 25-1-605 - FEE IN-LIEU OF PARKLAND DEDICATION. (A)The director may require or allow a subdivision or site plan applicant to deposit with the City a fee in-lieu of parkland dedication under Section 25-1-602 (Dedication of Parkland) if:(1)the director determines that payment of a fee in-lieu of dedication is justified under the criteria in Subsection (B) of this section; and(2)the following additional requirements are met:(a)less than six acres is required to be dedicated under Section 25-1-602 (Dedication of Parkland); or(b)the land available for dedication does not comply with the standards for dedication under Section 25-1-603 (Standards for Dedicated Parkland).(B)In determining whether to require dedication of land under Section 25-1-602 (Dedication of Parkland) or allow payment of a fee in-lieu of dedication under this section, the director shall consider whether the subdivision or site plan:(1)is located within the Deficient Park Area Map;(2)is adjacent to existing parkland;(3)has sufficient acreage to meet the standards for dedicated parkland under the Parkland Dedication Operating Procedures;(4)is needed to address a critical need for parkland or to remedy a deficiency identified by the Deficient Park Area Map; or(5)would provide increased connectivity with existing or planned parks or recreational amenities.</p>
requirements	Is the fee calculated on lot size or building size? Before we start paying fees for site plan, we need to know what we are on the hook for.	Fee is calculated based on building size. As with the residential ordinance, the fee schedule would be posted on the Parkland Dedication webpage as well as the Development Services Fee webpage. Additionally, commercial properties would be included in the PED process as with residential development. A Parkland Early Determination (PED) is a process which allows the Parks and Recreation Department (PAR) to review a project early to determine parkland requirements: land dedication; payment of a fee in-lieu; or a combination of fee and land. This process and the resulting document are required as part of any subdivision application, with the exception of a Project Assessment (these will have a PED generated as part of the review).

Category	Question	Response
requirements	Residential fee- is there an operation hour in that calculation?	The residential fee does not include an operation hour in the calculation. This is because a resident is assumed to live, shop, work and recreate in Austin 100% of the time, they count for 1 whole person in the ordinance. Conversely, the Commuter Commercial Parkland Dedication Ordinance intends to capture a population that only has the opportunity to utilize the park part of the day/week. Each commuter captured in the new ordinance represents a percentage of a full-time resident. The existing ordinance does provide a factor for calculating the number of residents per dwelling unit, ranging from 1.7 people per high density unit (multifamily/apartment) and 2.8 people per low density unit (single family homes). The existing ordinance also adjusts an annual occupancy rate for hotel rooms based on annual reporting. This number is updated to reflect the percentage of hotel rooms that are occupied each year.
requirements	Define district and metro parks, those that are excluded from the total park service acreage. Explain why metro and district parks are not included in either residential or commercial park level of service.	According to the PARD Long-Range Plan, district parks are parks typically between 31-200 acres. Metro parks are parks over 200 acres. District and Metro parks are considered 'destination' parks with service areas beyond their immediate neighborhood. These parks are more likely to be funded by bonds than parkland dedication.
requirements	Who decides whether the requirement will be met with fee or land dedication?	PARD planners review each and every project to determine how the parkland dedication requirements will be met according to dedication criteria written in the code (25-1-605). These criteria include adjacency to existing parkland, location within a park deficient area, total number of acreage generated by the development, location along a greenbelt or trail system etc. In approximately 90% of developments, the parkland dedication requirement is satisfied by fees-in-lieu. See existing language below: § 25-1-605 - FEE IN-LIEU OF PARKLAND DEDICATION. (A)The director may require or allow a subdivision or site plan applicant to deposit with the City a fee in-lieu of parkland dedication under Section 25-1-602 (Dedication of Parkland) if:(1)the director determines that payment of a fee in-lieu of dedication is justified under the criteria in Subsection (B) of this section; and(2)the following additional requirements are met:(a)less than six acres is required to be dedicated under Section 25-1-602 (Dedication of Parkland); or(b)the land available for dedication does not comply with the standards for dedication under Section 25-1-603 (Standards for Dedicated Parkland).(B)In determining whether to require dedication of land under Section 25-1-602 (Dedication of Parkland) or allow payment of a fee in-lieu of dedication under this section, the director shall consider whether the subdivision or site plan:(1)is located within the Deficient Park Area Map;(2)is adjacent to existing parkland;(3)has sufficient acreage to meet the standards for dedicated parkland under the Parkland Dedication Operating Procedures;(4)is needed to address a critical need for parkland or to remedy a deficiency identified by the Deficient Park Area Map; or(5)would provide increased connectivity with existing or planned parks or recreational amenities.
requirements	Residential fee- is there an operation hour in that calculation?	The residential fee does not include an operation hour in the calculation. This is because a resident is assumed to live, shop, work and recreate in Austin 100% of the time, they count for 1 whole person in the ordinance. Conversely, the Commuter Commercial Parkland Dedication Ordinance intends to capture a population that only has the opportunity to utilize the park part of the day/week. Each commuter captured in the new ordinance represents a percentage of a full-time resident. The existing ordinance does provide a factor for calculating the number of residents per dwelling unit, ranging from 1.7 people per high density unit (multifamily/apartment) and 2.8 people per low density unit (single family homes). The existing ordinance also adjusts an annual occupancy rate for hotel rooms based on annual reporting. This number is updated to reflect the percentage of hotel rooms that are occupied each year.
requirements	Could the project 'only' dedicate land or pay the fee? If they're dedicating land, could the rest of the fee be excused?	Parkland dedication can be satisfied by dedication of land, payment of fee or a combination. In every case 100% of the parkland dedication requirement must be satisfied. If the development dedicates a portion of the land owed (which represents the new need generated by the new people in the development), then they may satisfy the remainder of the requirement with payment of fees-in-lieu or invest in the park's development.
requirements	Why are we not considering the time before and after work that the employees utilize park time? The warehouse operation time is set at the park hours, but the office and industrial operation times are much lower, even though our parks are impacted before and after work by those employees. Shouldn't all the operation times be at 0.71 percent- the hours the parks are open?	The operation hours of the commercial development are used as a factor in quantifying an employee's relative opportunity to access parkland. Operation hours indicate when employees would be occupying any given commercial development and thus impacting the park level of service surrounding the development. While it may be likely that employees use parks outside of these hours, it is assumed that they are more likely to use parks adjacent to their residences at this time.
requirements	Anticipated commercial PLD funds annually (or an example, in 2021 if commercial PLD had been in place we would have been able to get X acres of parkland)	Please see the attached Exhibit B showing a ratio of parkland funding between bond funds, residential parkland dedication fees and projected commercial parkland dedication fees. In 2021, 1,182,000 industrial square feet, 1,105,698 office square feet and 547,149 retail square feet were permitted, approximately 8 acres of new parkland demand would have been generated. In 2021 those commercial developments would have owed \$3.24 million in fees-in-lieu of land. More important than the number of acres or amount of fees owed is the expanded access to parkland that could have been provided with those commercial developments. Several critical connections and greenbelt gaps could have been closed through out the city, including along Bull Creek Greenbelt, Williamson Creek Greenbelt, Little Walnut Creek Greenbelt, West Bouldin Creek Greenbelt to name a few.
requirements	Clarifying questions about the number of units and the functional population. Recommended updates to the presentation for clarity.	The presentation has been updated to show the number of actual employees as well as the functional population of each example. See project webpage.

PARKLAND DEDICATION FINANCING CASE EXAMPLE



NEW DEVELOPMENT
Residential, hotel/motel units and commercial employees generate a need for new parkland, which may be met with either fees or land.
Assumed base value of new project: \$140,000



FEE-IN-LIEU OF PARKLAND DEDICATION
Cost: \$1,000

Developer has Three Options

1

Pass cost to the consumer
Sell for \$141,000
UNLIKELY
If market bore \$141,000, then developer would charge that amount to maximize profits. Market forces would have dictated a base price of \$141,000.



2

Developer absorbs \$1,000 fee
Sell for \$140,000
UNLIKELY
Developer's willingness to accept financial risk is predicated on projected profit margin. Without that profit margin, a project will not proceed

3

Developer reduces project costs
Sell for \$140,000
LIKELY
Developer could:
a. Reduce the project size by 10 square feet
b. Engage in "value engineering" to reduce the costs
c. Pay less for the land

MAINTAINING A PARKS SYSTEM FOR ALL

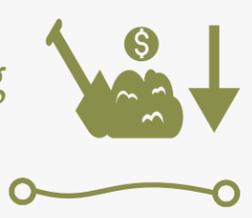
Growing municipality has Three Options

↑ **Taxpayers pay for parks**

Lower standards for parks and quality of life ↓

↑ **Development pays for itself through parkland dedication**

Parkland dedication **lowers taxes** by having new development "pay for itself"



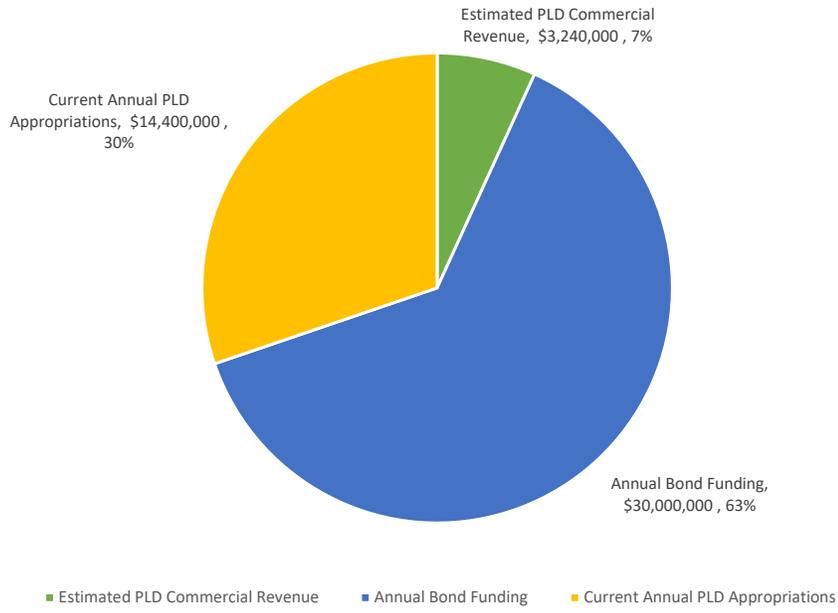
Low taxes keeps the demand for **affordable housing high**



Parkland dedication **decreases fiscal deficit** on existing residents by new development, **allowing for more affordable projects** to be built

EXHIBIT B

Projected Parkland Funding Sources for New Parks and Improvements



DRAFT 2022-2023 Commuter Commercial Parkland Fee Calculation Methodology

In 2022 the City Council approved Ordinance XXXXXXXXXX which created a formula to determine the commercial fees required in-lieu of parkland dedication. The Ordinance requires an annual adoption of the parkland dedication fees during the annual fee schedule process. The fee calculation methodologies are established in § 25-X-XXX

The below 2022-2023 fees reflect the Council approved calculation methodology to be adopted annually. Several of the variables in the formula are static from year to year, including the square feet per person and the operations hours. Some of the variables will be reevaluated each year based on publicly available data, such as the occupancy rate and the percent commuter workforce, as well as the fees-in-lieu of parkland land dedication and park development. The only variable in the above formula that is unique to the new development is the total square feet of the development.

Variables	Calculation Factor	Description
Fee In-Lieu of Land		
Parkland Level of Service	96.70 Service Population per 1 acre	Service Population / Park Acres
Park Acres	10,086.32	Park Acres (excludes Metro and District Parks)
City Population	975,321 (2021 Population)	Current City Population
Parkland Cost Factor	\$365,653.44 per acre	Average land cost of acres purchased over the last five years
Park Development		
Facilities Level of Service	4,046.98 Service Population per park	Service Population / Number of Developed Parks
Number of Developed Parks	241	Count of all developed parks
City Population	975,321 (2021 Population)	Current city population
Park Development Cost Factor	\$1,423,928.42	Cost of developing one Neighborhood Park
Functional Population		
Office Employee Density	300 sq ft / person	U.S. Green Building Council estimate of the square feet per person in LEED BD+C: New Construction v4 - LEED v4. Appendix 2. Default occupancy counts
Office Occupancy	0.92	Austin area occupancy rates derived from the Chamber of Commerce 'Austin Area Profile' reflecting occupancy by use in Q2 2021
Office Operation Hours	0.238	Office use occurs 5 out of 7 days of the week, and 8 hours a day, equal to 23.8 percent (40 hours out of 168 hours a week) operation occupancy.
Retail Employee Density	550 sq ft / person	U.S. Green Building Council estimate of the square feet per person in LEED BD+C: New Construction v4 - LEED v4. Appendix 2. Default occupancy counts
Retail Occupancy	0.95	Retail occupancy rates derived from NAI Partners report published in Q2 2021
Retail Operation Hours	0.375	Retail use occurs 7 days of the week, and an average of 9 hours a day for operation, equal to 37.5 percent (63 hours out of 168 hours a week) operation occupancy

Industrial Employee Density	2,500 sq ft / person	U.S. Green Building Council estimate of the square feet per person in LEED BD+C: New Construction v4 - LEED v4. Appendix 2. Default occupancy counts
Industrial Occupancy	0.94	Austin area occupancy rates derived from the Chamber of Commerce 'Austin Area Profile' reflecting occupancy by use in Q2 2021
Industrial Operation Hours	0.708	Industrial use occurs 24 hours every day of the week, equal to 100 percent, but is capped to park operation hours from 5 am to 10 pm, 70.8 percent.
Commuter workforce	0.58	Percent of Austin's total workforce population that commutes into Austin from other Jurisdictions

A. Fee In-lieu of Land Formula

STEP 1. Land Cost Per Service Population = Parkland Cost Factor/Parkland Level of Service

$$\text{Land Cost Per Service Population} = \frac{365,653.44 \text{ per acre}}{96.70 \text{ Service Population per Acre}} = \$3,781.32$$

STEP 2. Land Cost Per Sq Ft = (Land Cost Per Service Population / Employee Density) X Occupancy X Operation Hours

$$\text{Office} - \text{Land Cost Per Sq Ft} = \left(\frac{3,781.32}{300 \text{ Sf/Employee}} \right) \times 92\% \times 23.8\% \times 58\% = 1.6007 \text{ Per Sq Ft}$$

$$\text{Retail} - \text{Land Cost Per Sq Ft} = \left(\frac{3,781.32}{550 \text{ Sf/Employee}} \right) \times 95\% \times 37.5\% \times 58\% = \$1.4206 \text{ Per Sq Ft}$$

$$\text{Industrial} - \text{Land Cost Per Sq Ft} = \left(\frac{3,781.32}{2,500 \text{ Sf/Employee}} \right) \times 94\% \times 70.8\% \times 58\% = 0.5838 \text{ Per Sq Ft}$$

STEP 3. Fee in-Lieu of Land = Sq Ft of Development x Land Cost Per Sq Ft

$$\text{Office} - \text{Fee in-Lieu of Land} = \text{Sq Ft of Development} \times \$1.6007$$

$$\text{Retail} - \text{Fee in-Lieu of Land} = \text{Sq Ft of Development} \times \$1.4206$$

$$\text{Industrial} - \text{Fee in-Lieu of Land} = \text{Sq Ft of Development} \times \$0.5838$$

B. Park Development Fee Formula

STEP 1: Development Cost Per Service Population = Facilities Level of Service / Service Population

$$\text{Development Cost Per Service Population} = \frac{1,423,928.42 \text{ park development cost factor}}{4,046.98 \text{ Service Population per Developed Park}} = \$351.85$$

STEP 2: Development Cost Per Sq Ft = (Development Cost Per Service Population / Employee Density) X Occupancy X Operation Hours

$$\text{Office} - \text{Development Cost Per Sq Ft} = \left(\frac{\$351.85}{300 \text{ Sf/Employee}} \right) \times 92\% \times 23.8\% \times 58\% = \$0.1489 \text{ Per Sq Ft}$$

$$\text{Retail} - \text{Development Cost Per Sq Ft} = \left(\frac{\$351.85}{550 \text{ Sf/Employee}} \right) \times 95\% \times 37.5\% \times 58\% = \$0.1322 \text{ Per Sq Ft}$$

$$\text{Industrial} - \text{Development Cost Per Sq Ft} = \left(\frac{351.85}{2,500 \text{ Sf/Employee}} \right) \times 94\% \times 70.8\% \times 58\% = 0.0543 \text{ Per Sq Ft}$$

STEP 3. Park Development Fee = Sq Ft of Development x Land Cost Per Sq Ft

$$\text{Office} - \text{Park Development Fee} = \text{Sq Ft of Development} \times \$0.1489$$

$$\text{Retail} - \text{Park Development Fee} = \text{Sq Ft of Development} \times \$0.1322$$

$$\text{Industrial} - \text{Park Development Fee} = \text{Sq Ft of Development} \times \$0.0543$$

C: Total Parkland fee-in-lieu + Park Development Fee:

Office - \$1.6007 + \$0.1489 = **\$1.7497 per square foot**

Retail - \$1.4206 + \$0.1322 = **\$1.5528 per square foot**

Industrial/Warehouse - \$0.5838 + \$0.0545 = **\$0.6382 per square foot**