

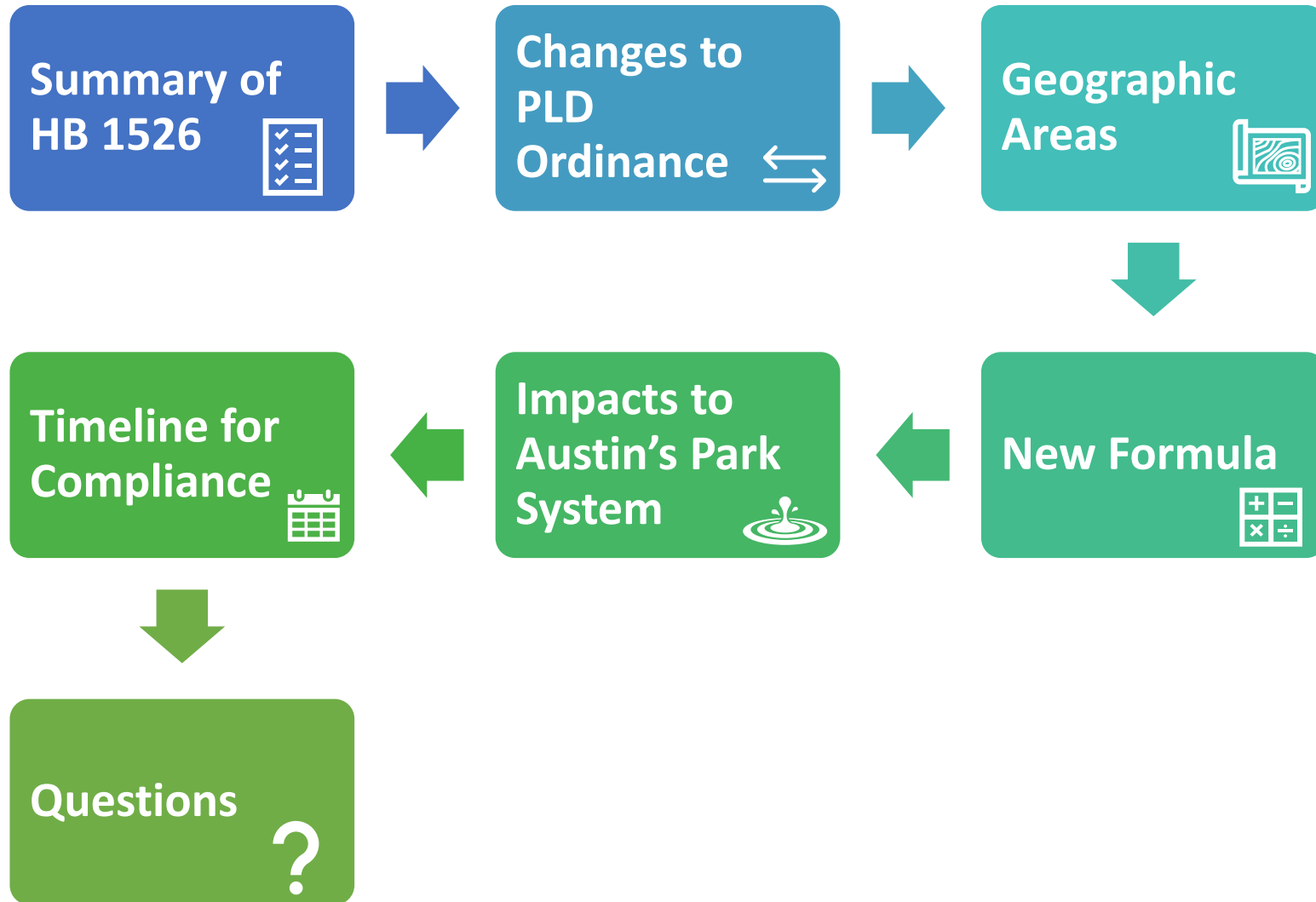
Austin Parks and Recreation Department

HB 1526 and Impacts to Parkland Dedication in Austin

Parks and Recreation Board, September 25, 2023

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Overview



Summary of HB 1526

- HB 1526 impacts parkland dedication (PLD) ordinances in **cities with populations over 800,000** (Austin, Houston, San Antonio, Dallas & Forth Worth)
- Signed into law on June 10, 2023
- Goes **into effect January 1, 2024**
- HB 1526 impacts **multifamily residential** and **hotel-motel developments**
- HB 1526 **prohibits commercial PLD requirements**
- HB 1526 **does not impact existing single-family residential PLD requirements**
- Affordable units are exempt under existing code and continue to be under HB 1526
- HB 1526 **fundamentally changes** how parkland dedication is administered

Changes to the PLD Ordinance

Existing PLD Requirements

9.4 acres of parkland per 1,000 residents

Commercial PLD Requirements

Based on **nexus** between new development and impact on parkland

Parkland dedication **capped at 15% in urban core & NOT capped** in suburban area

PLD fees paid at time of development permit (site plan or final plat)

New HB 1526 PLD Requirements

0.075 - 4 acres of parkland per 1,000 residents

No Commercial PLD Requirements

Based on assumption of that residents expect less **parkland in increasingly urban environments**

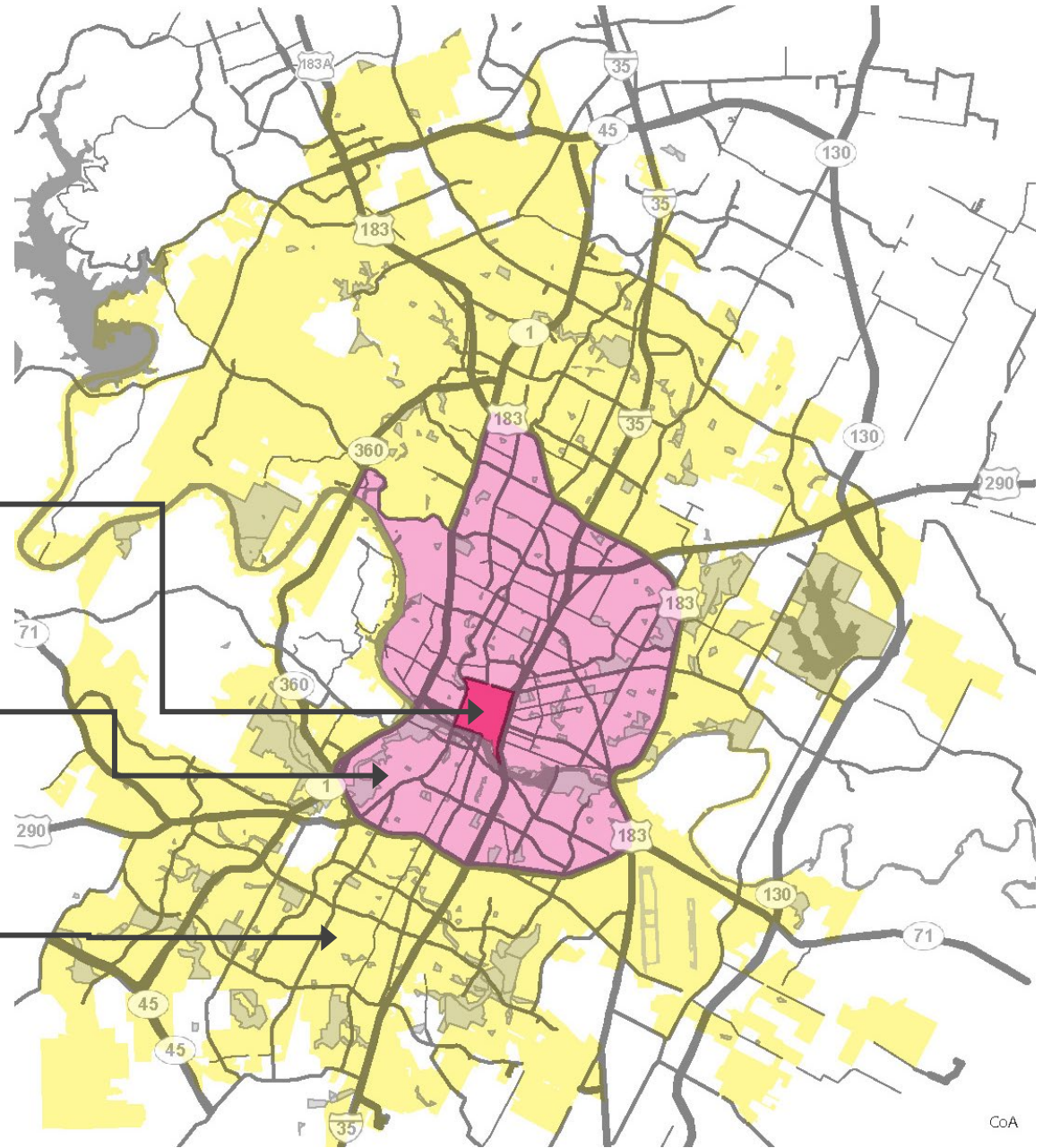
Parkland dedication **capped at 10% city-wide**

PLD fees paid at time of Certificate of Occupancy (CO)
(1-to-5-year delay in fee collection)

Geographic Areas (PLD Rings)

All areas of the city must be designated as either CBD (Central Business District), Urban or Suburban. Austin is adopting **existing areas for these designations, consistent with those already identified in Imagine Austin and the PARD Long Range Plans.**

- **CBD:** identified as the Downtown Austin Plan area (2011), part of the Austin Comprehensive Plan.
Park level of service: **0.075 acres/1000 residents.**
- **Urban:** existing urban core consistent with current PLD Ordinance, developed with stakeholder input in 2009 and 2016. Established in the PARD Long Range Plan (2020), which is part of the Austin Comprehensive Plan.
Park level of service: **0.75 acres/1000 residents.**
- **Suburban:** consistent with full and limited purpose areas outside of existing urban core.
Park level of service: **3 acres/1000 residents.**



New Formula for Multifamily Residential

CBD

- **New Units x .005 dwelling unit factor * avg land value / 40 density factor discount**
- CBD developments pay **2.5%** of fees owed after 'density factor' discount, leaving **97.5%** to be subsidized by existing residents
- City limited to 1/40th of total land dedication requirement set by state bill, effectively **preventing land dedication in CBD**

URBAN

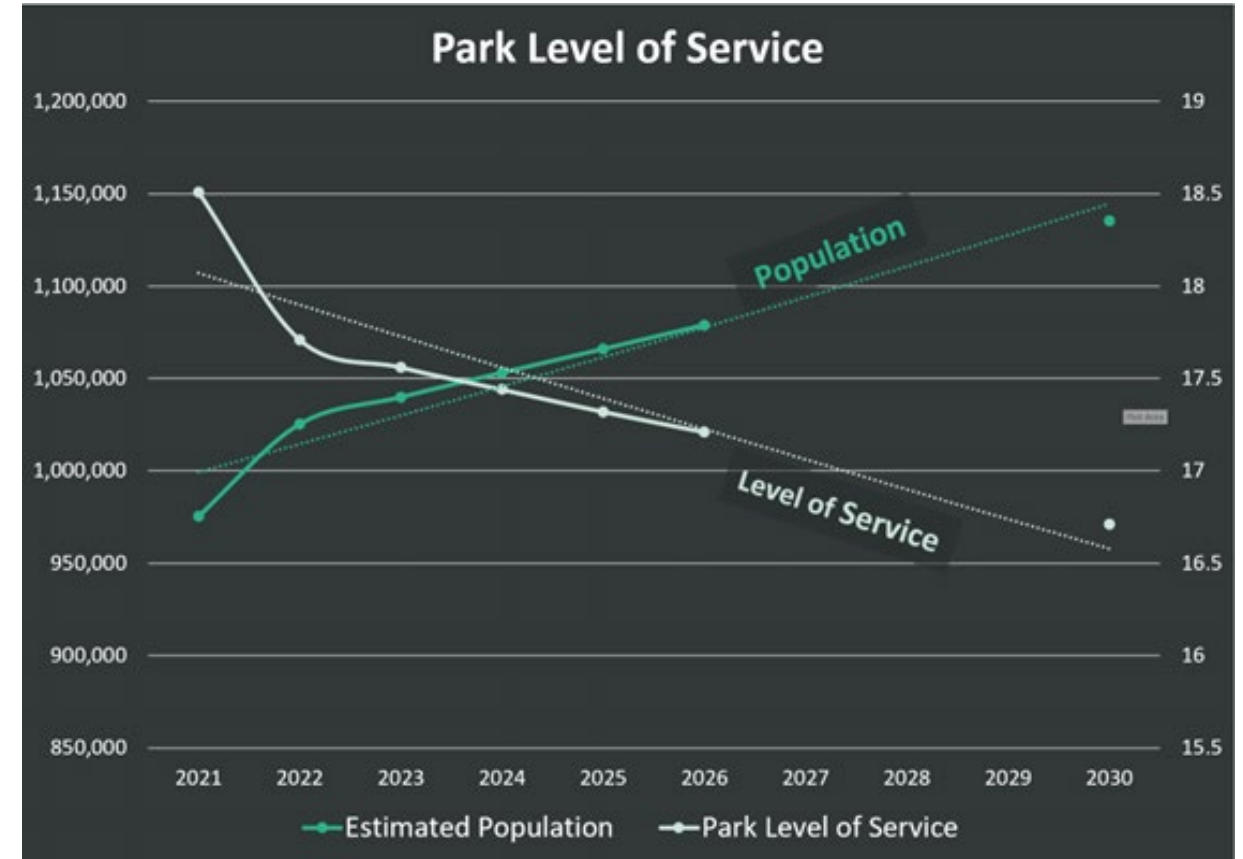
- **New Units x .005 dwelling unit factor * avg land value / 4 density factor discount**
- Urban developments pay **25%** of fees owed after 'density factor' discount, leaving **75%** to be subsidized by existing residents
- City limited to ¼th of land dedication requirement set by state bill, limiting park opportunities

SUBURBAN

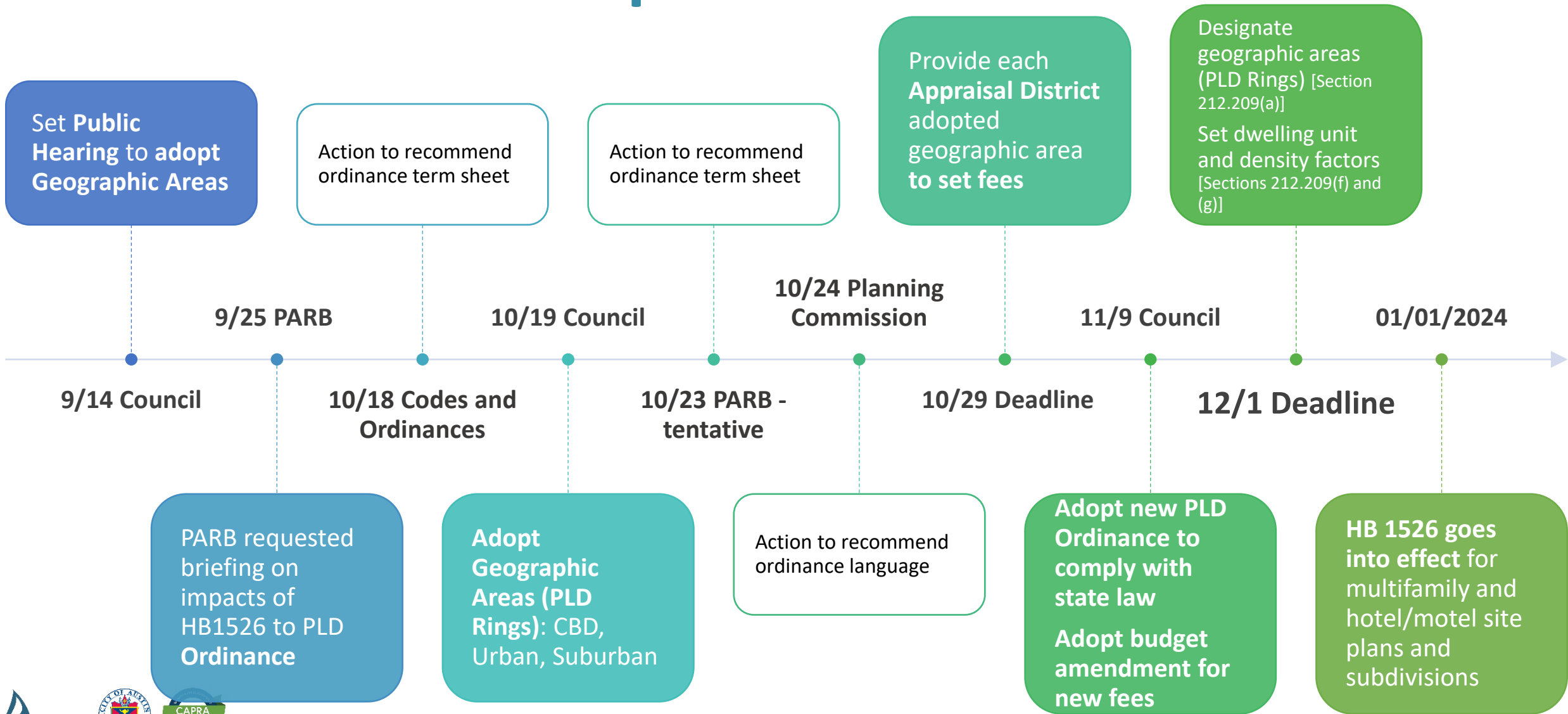
- **New Units x .005 dwelling unit factor* avg land value / 1 density factor discount**
- Suburban developments pay **100%** of fees owed
- City limited to 10% of gross site area for land dedication

Impacts to Austin's Park System

- Fewer acres of parkland will be dedicated annually, with the Urban Core and CBD areas most affected.
- 75-97% less parkland dedicated in Urban and CBD areas.
- PARD estimates the new fee per affected multifamily dwelling unit will be 40-70% of what it is today.
- Compliance at CO (Certificate of Occupancy) means a 16 month- 5 year delay in fee collection.
- Predict Park service will decline as population grows.
- Park funding to be subsidized by existing residents with GO Bonds



Timeline for Compliance



Questions?