



City of Austin

Austin Parks and Recreation Department
200 South Lamar Boulevard, Austin, Texas 78704

October 12, 2022

For Public Release

FY23 Adopted Fee Rates and Recent Changes to Parkland Dedication Requirements

On September 15, 2022, Austin City Council amended the FY23 City of Austin Budget to adopt a new parkland dedication fee schedule, made amendments to City Code Chapter 25-1 to initiate parkland dedication requirements for commercial development, and amended existing requirements for residential development.

FY2022-23 Adopted Residential Fee Rates

City Council decided to limit the increase of a key factor in the calculation of the parkland fees, Land Cost per Person, to an amount of 10% greater than the previous fiscal year, from FY22 to FY23. In accordance with Council's decision, the FY23 Parkland Dedication fee schedule is as follows:

Total Parkland Fees (Fee-in-Lieu of Parkland + Park Development Fee):

Low Density (<6 units/acre) \$5,276.16 + \$985.18 = \$6,261.34 per unit

Medium Density (6-12 units/acre) \$4,145.56 + \$774.07 = \$4,919.63 per unit

High Density (>12 units/acre) \$3,203.38 + \$598.15 = \$3,801.53 per unit

Hotel/Motel \$1,998.91 + \$373.24 = \$2,372.15 per room

Commercial Parkland Dedication Requirements

Beginning **January 1, 2023**, new commercial developments within the Austin Full Purpose jurisdiction, including office, retail, industrial, and hotel uses, will be required to dedicate parkland or pay fee-in-lieu of dedication in proportion to their impact on the park level of service. This will be applied to any subdivision, site plan, or building permit filed on or after January 1, 2023 that proposes additional applicable commercial square footage. This measure will advance the City's park system as we attempt to keep pace with the rapid growth in the area's workforce, maintaining a high-quality of life for residents and workers alike.

A new development's impact is based on the number of workers expected to occupy the space, with several discount variables applied, resulting in a smaller number referred to as the "**Functional Population.**" The variables used to determine the functional population vary by the use category of the new development and may be subject to annual update similar to the variables used in the residential parkland dedication requirements.



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Land Dedication Requirement:

Credited Acres Required = **9.4 acres per 1,000 Functional Population**

FY2022-23 Adopted Commercial Fee Rates:

Fee-in-Lieu of Land = **\$3,781.32 per Functional Population**

Park Development Fee = **\$351.85 per Functional Population**

Fees for each use type can be approximated using the below rates per square foot:

Office – \$0.9701 Fee-in-Lieu + \$0.0919 Park Development Fee = **\$1.0800 Per SF**

Retail – \$0.7793 Fee-in-Lieu + \$0.0816 Park Development Fee = **\$0.9584 Per SF**

Industrial/Warehouse – \$0.3203 Fee-in-Lieu + \$0.0335 Park Development Fee =
\$0.3939 Per SF

Hotel/Motel – \$0.5679 Fee-in-Lieu + \$0.0595 Park Development Fee = **\$0.6984 Per SF**

Additional information and resources related to the Commercial Parkland Dedication Ordinance can be found at: <https://www.austintexas.gov/new-PLD>

General Amendments to Parkland Dedication Requirements

On September 15, Austin City Council passed multiple amendments to the existing requirements regarding parkland dedication for residential developments, which will also apply to new commercial developments (see above). The first was to ensure that fee rates do not change during the review cycle. A second amendment expands the applicability of the affordable housing waiver to all types of government-operated affordable housing programs. A third amendment provides clarification on the crediting of dedicated parkland within the 25-year floodplain. A final Council direction outlines a multi-department stakeholder process to explore potential changes to the parkland dedication ordinance. These amendments are described in further detail below.

Fees “Locked-in” at FY22 Rates:

All subdivisions accepted for filing or site plan applications filed before October 1, 2022, will be subject to the FY22 fee rates. Under this direction, **any subdivision or site plan currently in review will be subject to the FY22 fee rates and will not be subject to the new FY23 fee rates** approved in the September 15, 2022, City Council meeting. Any additional applications not currently in review, but filed before October 1, 2022, will also be subject to the FY22 fee rates. Subdivisions are considered after they have been accepted for filing, and site plan applications are considered after their initial completeness check submittal. If a site plan application is not able to pass through completeness check within 45 days, they must resubmit, and will be subject to the fee rates in effect at the time of re-submittal.

Moving forward, the annual fee rate for all development review projects will be locked in at the time they are filed (as described above). The fee rate changes annually on October 1. Projects must be filed prior to October 1 to be locked into the previous year’s fee rate. Note that



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Parkland Early Determination letters do not lock fees in. Fees are only locked in when the application is filed as described above.

Affordable Housing Waiver:

To incentivize the development of affordable housing and participation in the many affordable housing programs offered by the City of Austin and other governmental entities, the **100% waiver for parkland dedication requirements has been extended beyond S.M.A.R.T. certified units to include all units participating in a government-operated affordable housing program that require the applicant to provide on-site income-restricted units.** For example, this definition includes units using low-income housing tax credits or those participating in a density bonus or other incentive-based program that may or may not seek S.M.A.R.T. certification.

Floodplain Credit Language Modification:

A modification to 25-601(3)(C) regarding parkland dedication credit outlines situations in which partial credit may be given to land within the 25-year floodplain. In referring to 25-601(3)(D), this modification allows for **up to 50% credit for land within the 25-year floodplain if the land can be used to provide recreational or educational opportunities for the surrounding community.** Examples of recreational and educational opportunities within the 25-year floodplain may include unimproved nature trails or informational signage describing native flora and fauna found in the area. This change provides clarity on when credit can be applied to land within the 25-year floodplain and incentivizes the dedication of these areas when recreational and educational opportunities are present.

Stakeholder Process:

An additional City Council directive outlines a multi-departmental stakeholder process to explore further changes to the Parkland Dedication ordinance. In the direction, City Council states that the process shall include outreach to park advocates, housing affordability advocates, and development representatives. We welcome input from these communities as well as any not specifically mentioned in the City Council direction in crafting the regulations and policies surrounding parkland dedication in order to ensure an ordinance that meets the diverse needs of the Austin community. Additional information regarding the stakeholder engagement process will be provided in the coming weeks.

Please contact the Parks and Recreation Department at Parkland.Dedication@austintexas.gov with any questions concerning Parkland Dedication.