



# City of San Antonio

## Agenda Memorandum

**File Number:**

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**Agenda Item Number:** 30

**Agenda Date:** November 9, 2023

**In Control:** City Council A Session

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**DEPARTMENT:** Planning Department

**DEPARTMENT HEAD:** Rudy Nino

**COUNCIL DISTRICTS IMPACTED:** Citywide

**SUBJECT:**

An ordinance adopting a Parkland Dedication Processes and the Compliance Exhibit as a component of the City's Comprehensive Master Plan, in accordance with Chapter 212, Subchapter H, of the Texas Local Government Code.

**SUMMARY:**

An ordinance adopting a Parkland Dedication Processes and the Compliance Exhibit as a component of the City's Comprehensive Master Plan, in accordance with Chapter 212, Subchapter H, of the Texas Local Government Code.

**BACKGROUND INFORMATION:**

House Bill 1526 was passed during the 88th Texas Legislative Session as it relates to parkland dedication and "in-lieu-of dedication" fees for multi-family (three or more dwelling units), hotel, or motel projects. The bill does not impact the parkland dedication requirements or fees for single-family developments as provided for in the City's Parkland Dedication Ordinance.

H.B. 1526 requires the City to complete two tasks in compliance with the bill no later than December 1, 2023:

- designate all territory within its municipal boundaries as a Suburban Area, Urban Area, or Central Business District Area, and
- set the municipality's Dwelling Unit Factor and Density Factors.

The area designations and dwelling unit and density factors will be part of the formula utilized to calculate parkland dedication fees for multi-family developments, as provided in the bill.

After City Council approves the area designations and dwelling unit/density factors, the City must submit them to the applicable county appraisal districts for the purpose of calculating an average land value for each area. The average land valuation will be part of the formula utilized to calculate parkland dedication fees for multi-family developments, as provided in H.B. 1526. The bill also outlines fee determination and appeal processes for both the property owner and the City.

## **ISSUE:**

H.B. 1526 does not define Suburban, Urban, or Central Business District and does not provide guidance for the application of the designations. Therefore, the City proposes to utilize the adopted SA Tomorrow Comprehensive Plan (2016) and Comprehensive Planning Program (2022) as the framework for applying the designations. The designations will not affect any aspect of the SA Tomorrow Sub-Area Plans, as they will only be used for determination of parkland dedication fees.

The City has an adopted Downtown Area Regional Center Plan (one of the thirteen Regional Centers identified in the Comprehensive Plan), which includes the traditional downtown area and adjacent neighborhoods. This area is proposed to be designated as a Central Business District Area.

The Comprehensive Plan identifies twelve other Regional Centers as areas that currently contain, or are proposed to contain, fifteen thousand or more jobs by the year 2040. Given the level of current or anticipated density, these areas would be designated as Urban Areas. The Council-adopted Community Revitalization Action Group (CRAG) area, which is the 36 square-mile area around the downtown core, is proposed as an additional Urban Area to accommodate its anticipated density and goal of continuing to incentivize development in the downtown and immediate surrounding area.

The balance of the city is proposed to be designated as Suburban Area due to the existing single-family residential character. These areas are not planned for significant urban growth.

Per H.B. 1526, the Dwelling Unit Factor “reflects the number of parkland acres for each dwelling unit” and the Density Factor “reflects the diminishing expectation of parkland acres per dwelling unit in increasingly dense urban environments.” The City proposes to utilize the maximum Dwelling Unit Factor and the minimum Density Factors, as provided in H.B. 1526.

The anticipated impact of this bill on the City's collection of parkland dedication fees is projected to be negligible due to the low number of fee-in-lieu-of requests received by the City annually. Only one multi-family project has been submitted for fee-in-lieu-of review since March 2022. The project generated approximately \$40,000 in parkland dedication fees. A similar project would generate approximately:

- \$15,000 in fees, if designated as Suburban
  - approximate fiscal impact = \$25,000 estimated reduction in collected parkland dedication fees
- \$3,750 in fees, if designated as Urban
  - approximate fiscal impact = \$36,250 estimated reduction in collected parkland dedication fees
- \$375 in fees, if designated as Central Business District
  - approximate fiscal impact = \$39,625 estimated reduction in collected parkland dedication fees

The Planning Commission received a briefing on September 27, 2023. The Planning and Community Development Committee of City Council received a briefing on September 28, 2023. The Planning Commission held a public hearing on October 11, 2023; and voted to recommend the item to City Council for approval.

### **ALTERNATIVES:**

City Council can choose to adopt an alternate version of the Compliance Exhibit, Dwelling Unit Factor, and/or Density Factors, within the parameters of Chapter 212, Subchapter H, of the Texas Local Government Code.

City Council can choose to continue the item to November 30, 2023.

City Council must designate all territory within its municipal boundaries as a Suburban Area, Urban Area, or Central Business District Area, and set the municipality's Dwelling Unit Factor and Density Factors by December 1, 2023, in order to comply with Chapter 212, Subchapter H, of the Texas Local Government Code.

### **FISCAL IMPACT:**

There is no fiscal impact. The result of this ordinance will be an update to the City's fee structure for parkland "in-lieu-of dedication" fees.

### **RECOMMENDATION:**

Staff and Planning Commission recommend approval of the proposed Parkland Dedication Processes, including the Compliance Exhibit as a component of the City's Comprehensive Master Plan designating all territory within the municipal boundaries as a suburban area, urban area, or central business district area, and setting the dwelling unit factor for multifamily units to 0.005 and the density factor to one for the suburban area, four for the urban area, and 40 for the central business district area, as provided for by Chapter 212, Subchapter H, of the Texas Local Government Code.