



MEMORANDUM

TO: Mayor and City Council Members

THRU: Anne L. Morgan, City Attorney

FROM: Chrissy Mann, Assistant City Attorney
Erika López, Assistant City Attorney *EL*

DATE: September 13th, 2023

RE: Item 87 (September 14, 2023 Council Agenda) Related to Designating Geographic Boundaries for Parkland Dedication Requirements (as required by House Bill 1526)

Item 87 sets a public hearing for City Council to consider designations necessary for the City to calculate parkland dedication fees during the development process. This action begins the implementation process for House Bill 1526, which regulates how cities with a population of over 800,000 require parkland dedication for multifamily and hotel-motel development. Two separate actions are needed to implement the legislation. First, Council must designate areas of the City as urban, suburban, or central business district for the purposes of calculating parkland dedication fees. Once the designations are made, City staff will bring forward the related necessary changes to the Land Development Code.

Below is a short summary of the bill.

Summary of HB 1526:

HB 1526 created a new provision in the law (Texas Local Government Code, Chapter 212, subchapter H) that regulates how municipalities can require dedication for parkland for multifamily and hotel-motel development.¹ The new law requires cities to use specified formulas to calculate any required parkland dedication fees. The specified formulas rely on the average land value of each designated area (suburban, urban, or central business district). Additionally, this bill removes the distinction between parkland acquisition fee and development fee.

The new law applies to development applications submitted on or after January 1st, 2024.

¹ House Bill 1526 defines multifamily unit as “a residential unit other than a detached single-family or two-family dwelling”.

Additional changes include:

- Prohibits municipalities from requiring parkland dedication for commercial uses.
- Creates an exception for affordable housing developments.
- Allows a landowner to request an early parkland determination to ascertain the amount of parkland dedication that would be imposed on their property. The city must respond to parkland determination requests within 30 days.
- Creates a broad appeal right.

CC: Jesús Garza, Interim City Manager

Veronica Briseño, Assistant City Manager

Stephanie Hayden-Howard, Assistant City Manager

Kimberly McNeely, Director of Parks and Recreation

Brie Franco, Intergovernmental Relations Officer