



Community Enrichment Fund



Unified Development Code (UDC) Language:

- The purpose of Public Open Space is to provide recreational areas in the form of public parks as a function of the subdivision of land for residential uses and site development in the City.

- Open space via land dedication or fees is established in the UDC
 - In order to ensure that the land is planned for at the start of the development stage
 - Ensures the Parks Department is linked with the platting and plan review process

- Currently, there are two methods the City uses to gain open space as a result of new development:
 - Land Dedication versus Fee in Lieu of Land (FILO)
 - Park Development Fee versus Park Development Improvements



Land Dedication vs Fee in Lieu of Land (FILO)

8.3.5. Land Dedication. Whenever a final plat is filed of record within the City's jurisdiction for development of a residential subdivision, such plat shall contain a dedication of an area of land within the subdivision to the City for park purposes.

- For subdivisions where all lots are for single-family housing types, the dedication requirement shall be determined by the ratio of 1 acre for each 100 proposed dwelling units.

8.3.6. Fee in Lieu of Land. The City may require a fee in lieu of land dedication.

- The fee in lieu of land dedication requirement shall be met by a payment proportional to the amount of land required to be dedicated
- The Assistant City Manager over Development Services shall determine the amount of the fee in lieu of land dedication based on the following formula: $(A \times V) = M$.
 - A = The amount of land required for dedication
 - V = The fair market value (per acre) of the property to be subdivided, as established by an approved method.
 - M = The number of dollars to be paid in lieu of dedication of land.
- The fair market value, variable V, may not exceed sixty-two thousand five hundred dollars (\$62,500.00) per acre.



Open Space:

- The purpose of Public Open Space is to provide recreational areas in the form of public parks as a function of the subdivision of land for residential uses and site development in the City.
- Currently, there are two steps a developer must follow for the City uses to gain open space as a result of new development:
 - Dedicate Land for Parks Space or Pay a Fee in Lieu of Land (FILO) - **AND** - Pay a Park Development Fee or Make Park Development Improvements

Plat	1 Dwelling Units (DU)
Land Dedication (1 acre per 100 DU)	1 acre
Fee in lieu of land (FILO) (A x V) = M A= amount of land required for dedication V= fair market value (per acre) of property M= dollars to be paid in lieu of land	1 x \$62,500 = \$62,500
Park Development Fee (\$200 x # of DU)	\$200 x 100 = \$20,000
Total	<u>\$82,500</u>



Challenges in the Current Process - Budget Line Items

- Fees were assigned to budget line items for each contributing development; this led to at least 165 budget lines being created.
- Budget line items naming convention is not standardized and does not allow for the quick identification of the contributing development.
- Budget line items are no longer being created. Therefore, new funding is being assigned to legacy budget lines.
- Parks and Recreation Department does not have a detailed process to prioritize and communicate CEF investments in the community.

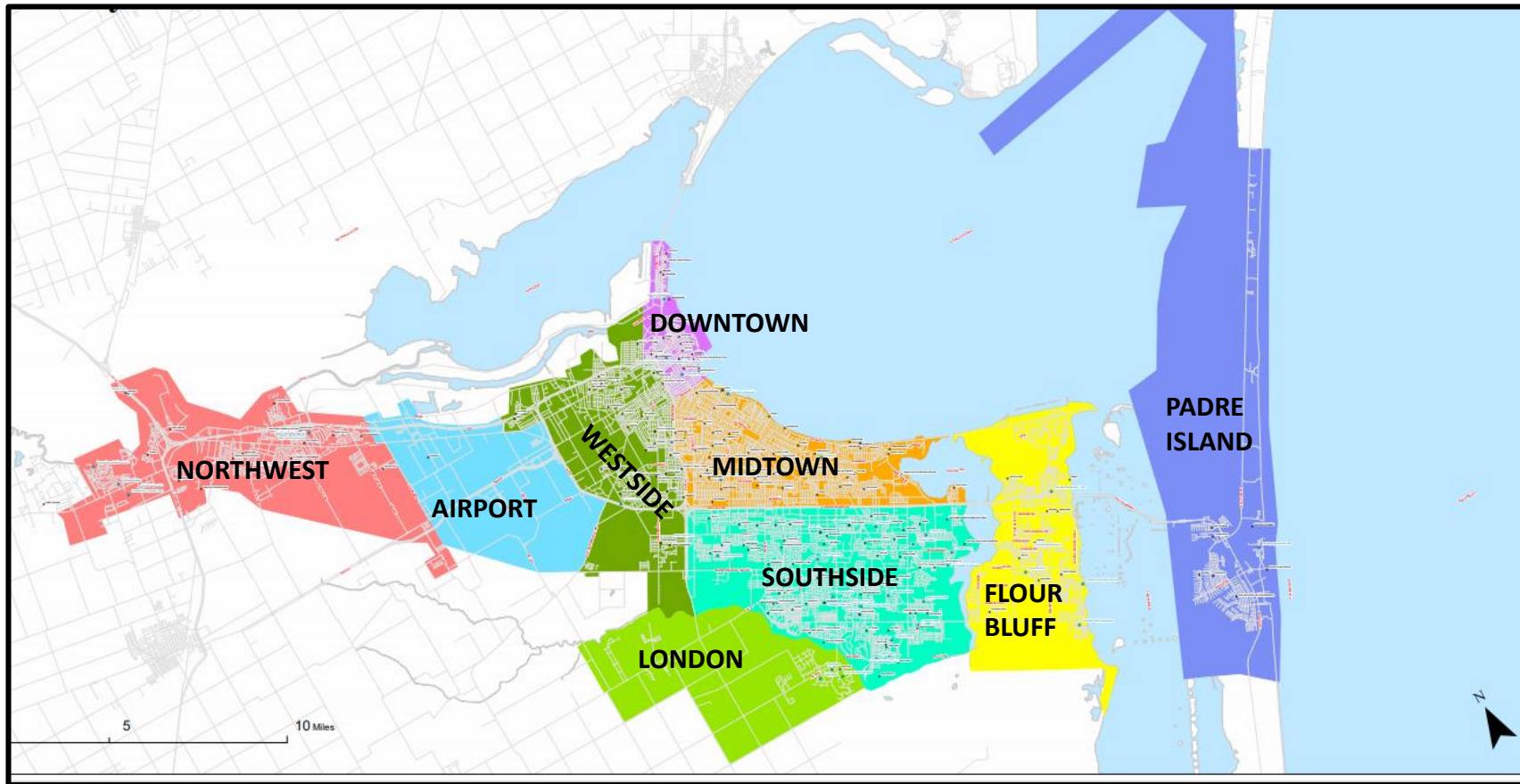


Challenges in the Current Process - Formula Based Fee Structure

- Current ordinance requires developer to dedicate 1 acre per 100 dwelling units in accordance with a formula-based calculation.
- In addition to the formula-based calculation, the current ordinance has required a separate park dedication fee.
- This practice has led to flaws in the open space process and miscommunication between City staff and the development community.



Proposed - Simplify the FILO Five Mile Radius Requirement (Area Development Zones)



- Area Development Zones are almost in keeping with UDC five-mile requirement
- Simplifies accounting process and allows for more transparency
- Will reverse a problematic legacy process that has been in place for a decade
- Use of the Area Development Zones will address overlaps and ensure that the park fees remain in the region of each development



Proposed – Simplify the Community Enrichment Fees

Staff and the development community negotiated a flat fee of \$462.50 in order to maintain the Park and Recreation Department's current level of service.

CURRENT: 100 Acre Development at 6 houses per Acre						
Acre price (Average)	Roof tops (6 DU per Acre)	FILO (# acres per 100 DUs)	PDF (*per DU)	FILO	PDF	CEF Total
\$ 25,000.00	600	6	\$ 200.00	\$ 150,000.00	\$ 120,000.00	\$ 270,000.00
Proposed: 100 Acre Development at 6 houses per Acre						
Acre price (Average)	Roof tops (6 DU per Acre)	FILO (# acres per 100 DUs)	PDF (*per DU)	FILO	PDF	CEF Total
\$ 25,000.00	600	N/A	\$ 462.50	\$ -	\$ 277,500	\$ 277,500
600 DU Example			1500 DU Example			
Current	\$ 270,000.00		Current	\$ 675,000.00		
Proposed	\$ 277,500.00		Proposed	\$ 693,750.00		
Difference	\$ 7,500.00		Difference	\$ 18,750.00		

FILO = Fee in Lieu of

PDF = Park Dev. Fee

DU = Dwelling unit

CEF = Community Enrichment Fee



Proposed – Establish Methodology for CEF Expenditures

- **Establish an annual CEF Budget**
 - Capital Budget
 - Improvements in Established Parkland
 - Parks and Recreation Master Plan
 - Emerging Priorities
- **Update financial policy to require the City Manager to present a proposed CEF budget during the annual Operating Budget and Capital Budget process**
 - Staff Recommended
 - City Manager Reviewed
 - Public Town Halls for Input and Feedback
 - Council Adopted



Proposed FY 2022 Community Enrichment Fund Budget

Requests for Information (RFI)

RFI #1 – Planning Commission

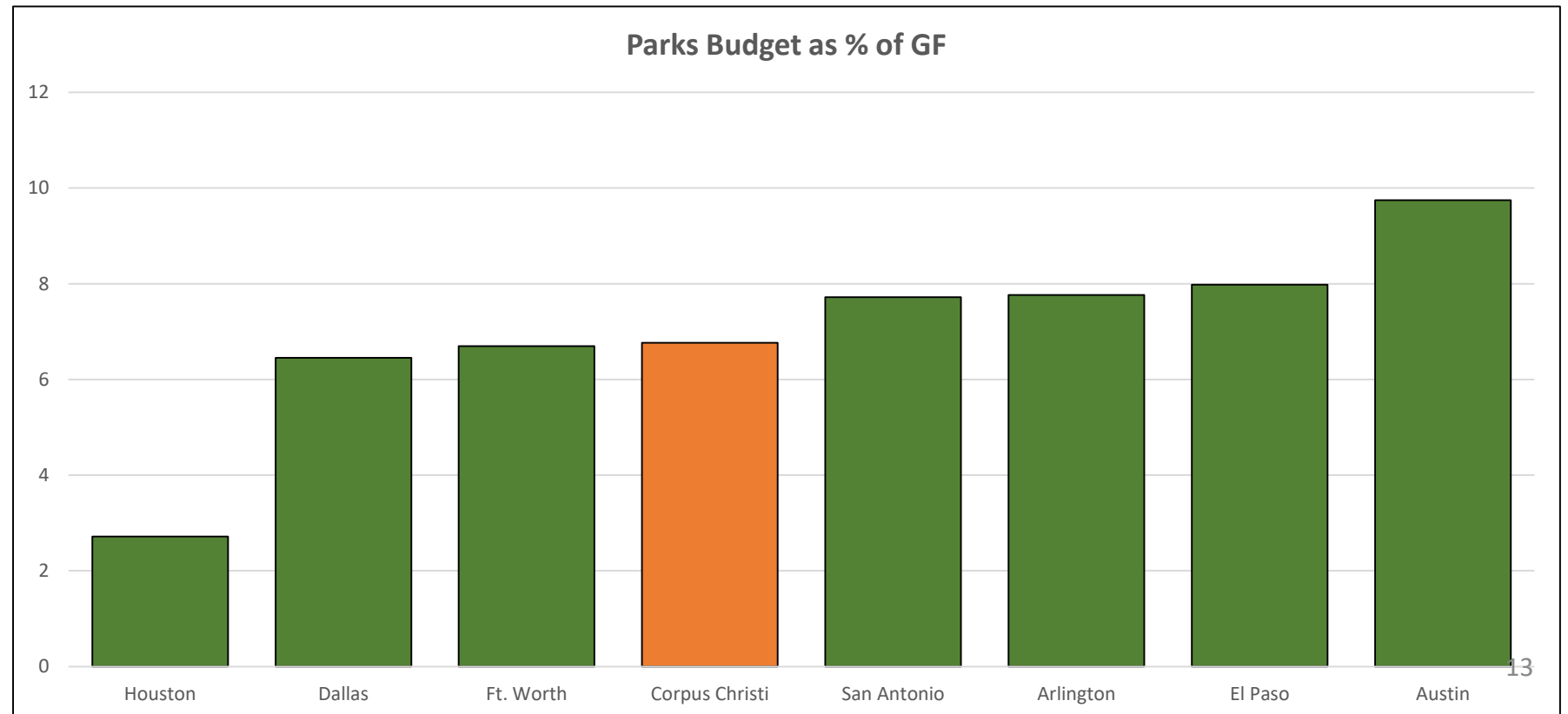
- What percentage of developments dedicated land for park space over the last ten years?
 - Response: Less than 1%. Over the last 10 years, staff was only able to find four developments whose land was accepted for park space



RFI #2 – Planning Commission

- What percentage of the General Fund are other Texas cities dedicating to their Parks and Recreation Budget?

City	Pct. of GF
Houston	2.72%
Dallas	6.45%
Ft. Worth	6.70%
Corpus Christi	6.77%
San Antonio	7.72%
Arlington	7.76%
El Paso	7.98%
Austin	9.75%



RFI #3 – City Council

- Are medians included in the City's record of park acreage?
 - Response: Yes. According to the 2012 Parks Recreation and Masterplan:

Purpose of the Inventory

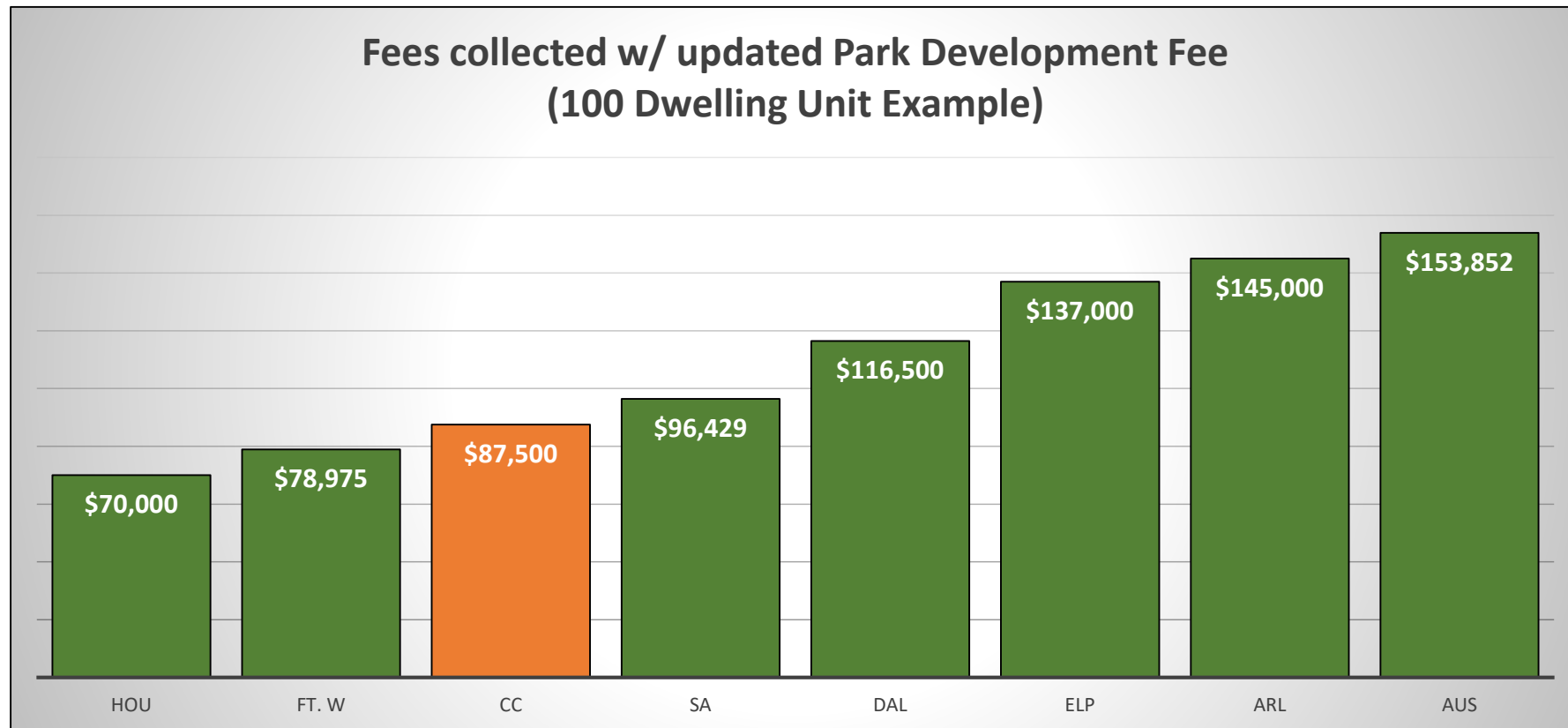
The Corpus Christi Parks and Recreation Department is currently responsible for the operation and maintenance of 208 parks and recreation facilities. These facilities include parks, medians, nature preserves, beaches and boat ramps. In total, the park system encompasses over 2,100 **acres**.

Source:

2012 PRMP, Page 32 of 151, [cover.psd \(cctexas.com\)](#)

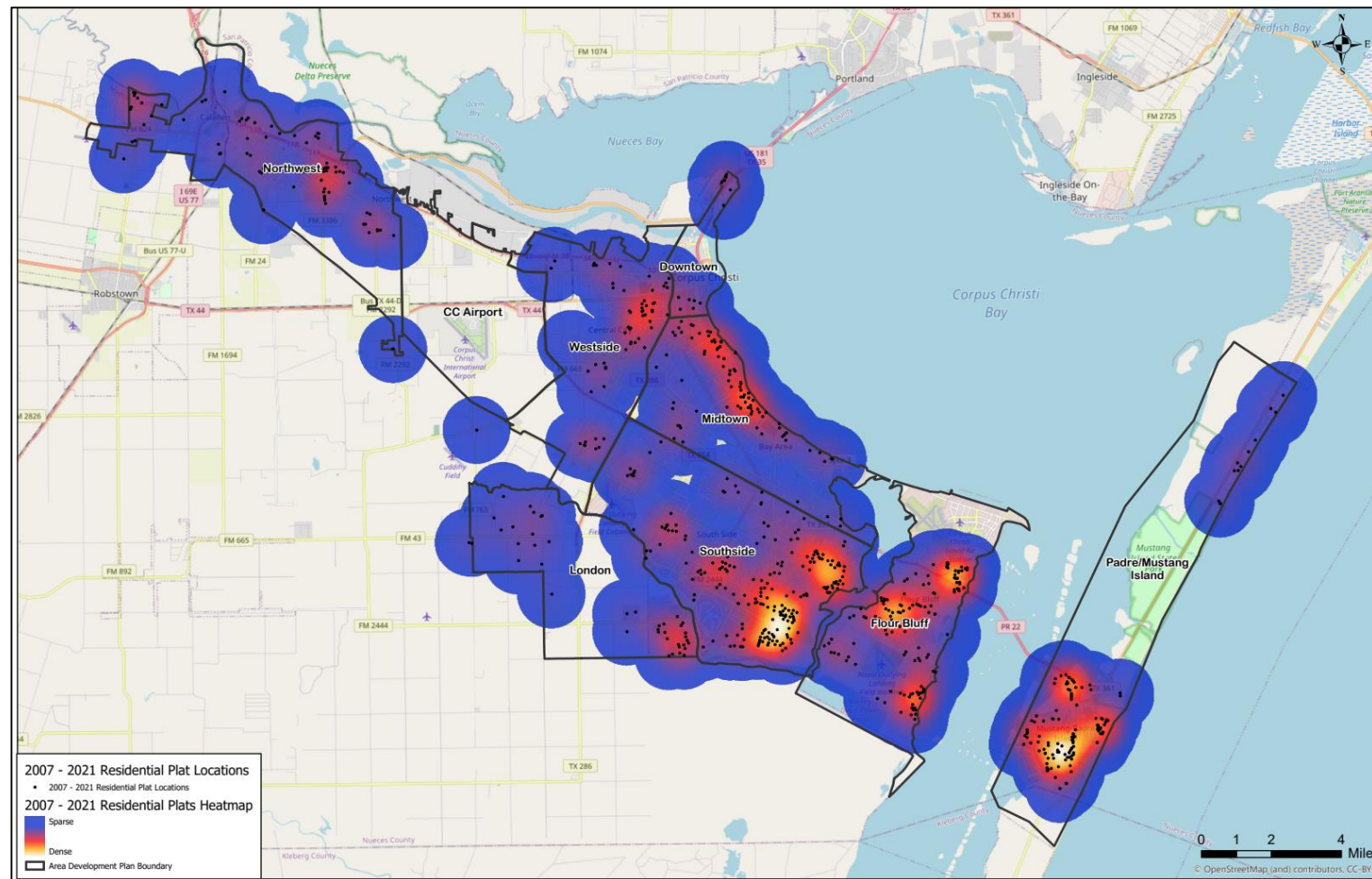
RFI #4 – City Council

- How much revenue would be generated if the Park Development Fee was raised from \$200 to \$250 and the FILO left static?



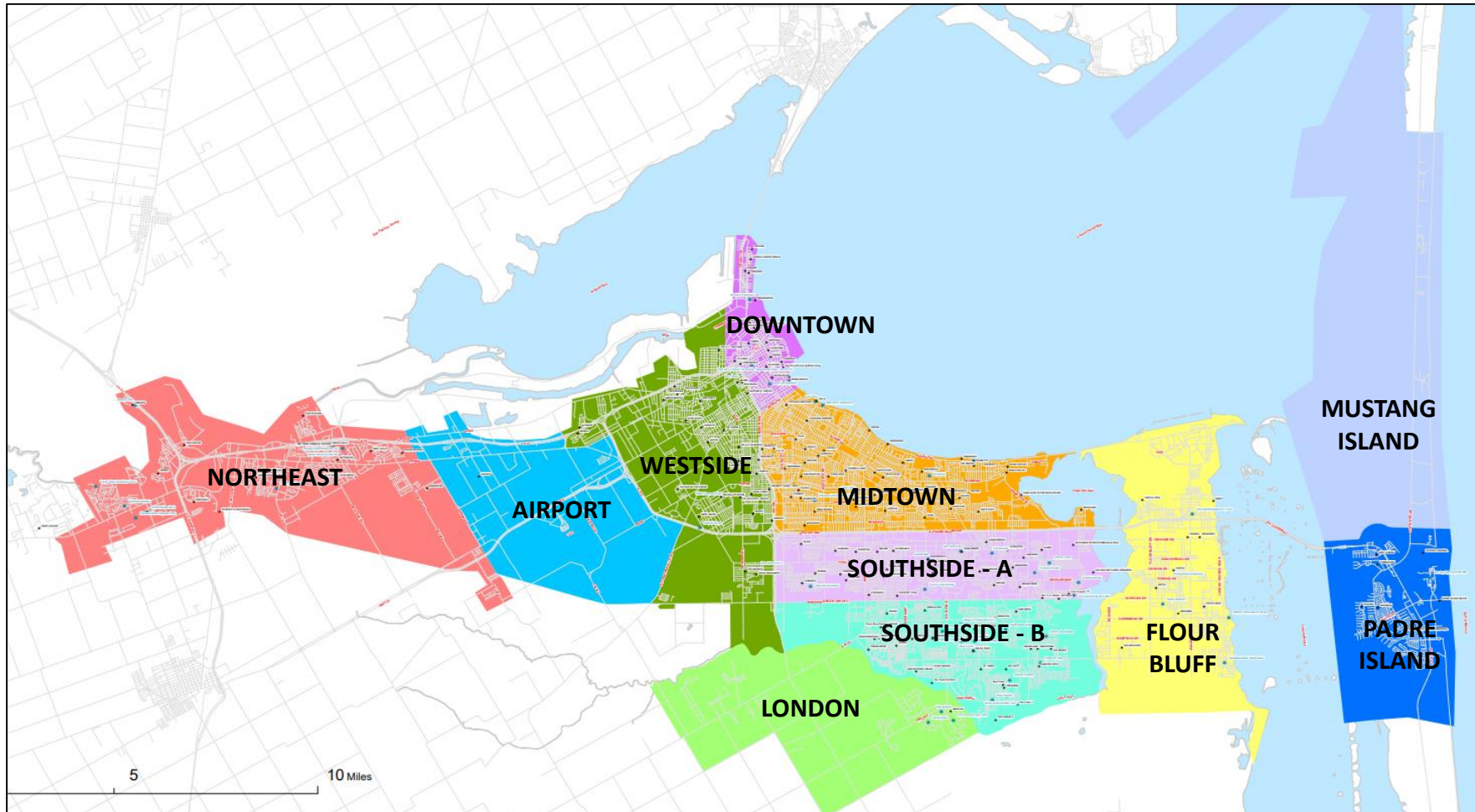
RFI #5 – City Council

- How has residential development trended in the City over the last 10 years?



RFI #6 – City Council

- Can we split the larger Area Development Zones (i.e. Southside and Padre Island)?



RFI #7 – City Council

- How much parkland (Federal, State, County, City) is there within the City Limits?

	Park Name	Acreage
County (Inland)	Hazel Bazemore (1/2)	39 acres
County (Inland)	Barber Lane	5 acres
County (Coastal)	Padre Balli	374.5 acres
County (Coastal)	Packery Channel	58.1 acres
State	Mustang Island	3,954 acres
	Total:	4,430.6 acres
	City Park Acres:	2,100 acres
	Grand Total:	6,530.6 acres

Recommendations

- Amend UDC to rename the “Community Enrichment Fund” to the “Park Development Fund”.
- Amend the UDC to dissolve the five-mile radius requirement and restrict the use of Fee in Lieu of Land funding to the City Area Development Zone of the contributing residential development.
- Change the FILO from a formula-based fee to a flat rate per dwelling unit. FY22 fee is recommended to be \$462.50 per dwelling unit.
- Dissolve Park Development Fees.
- Adopt the proposed FY22 Community Enrichment Fund Budget.
- Update budget finance policy to require the City Manager to present a proposed CEF budget with the Operating Budget and Capital Budget.

Recommendations (Continued)

- Remove language allowing for a refund of fees if not spent within seven years.
- Assistant City Manager of Park and Recreation shall determine the amount of the FILO.

Actions

Actions Taken

- Assembled CEF Work Group (P&R, Innovation, DSD, Finance, Legal, Budget)
- Reviewed UDC and Assessed Current CEF Policy
- Conducted Comparative Analysis of Other Texas Cities
- Identified Challenges with Current Policy and Developed Recommendations to Repair System and Align Corpus Christi w/ Comparable Cities
- Received Feedback from Parks and Recreation Advisory Committee and the Coastal Bend Home Builders' Association

Actions Forward

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|--|-------------------|
| • Planning Commission Public Hearing | February 23, 2022 |
| • Newspaper Publication for Council Public Hearing | March 7, 2022 |
| • Public Hearing (City Council) | March 22, 2022 |



Questions?