



Park Impact Fee LSPR Board Recommendations

- Finance & Budget Committee
- July 1, 2024

Ordinance Summary

- Approved by City Council on April 9, 2024
- To start July 1, 2025
- Fees collected at building permit application phase
- Credits are available to developers
- Fees must be used in service area where collected
- Fees can only be used for land acquisition and/or park development
- Fees are included in the Schedule of Fees and reviewed annually



Comparators Park Land Level of Service

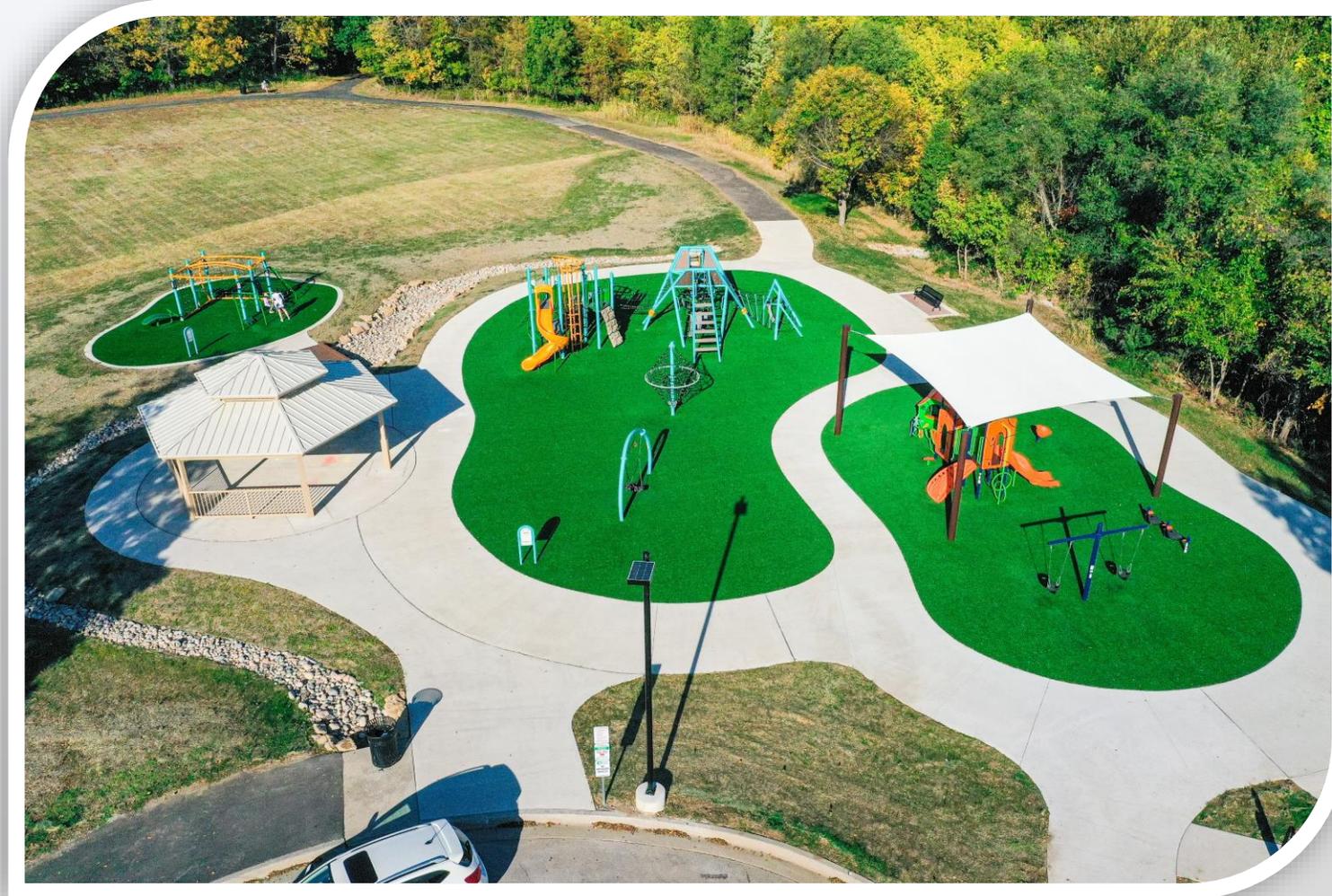
○ Columbia, MO	29.0 acres per 1,000 residents	○ Raymore, MO	14.4 acres per 1,000 residents
○ Kansas City, MO	23.6 acres per 1,000 residents	○ Gardner, KS	14.6 acres per 1,000 residents
○ LSPR Stated Goal	20.0 acres per 1,000 residents	○ LSPR(current)	12.5 acres per 1,000 residents
○ Liberty, MO	16.2 acres per 1,000 residents	○ Lenexa, KS	10.6 acres per 1,000 residents
○ Shawnee, KS	15.0 acres per 1,000 residents	○ Olathe, KS	9.6 acres per 1,000 residents



Summit Park renovation: 2020



Projected Need To Maintain Current Level of Service: 1 Park Every Year For 9 Years



Velie Park renovation: 2022



LSPR Funding

- **\$2,120,000:** Projected cost to acquire and build a 15-acre neighborhood park (assuming \$40,000 acre)
 - Land acquisition - \$600,000
 - Development - \$1,520,000
- **\$12,500,000:** Projected short fall by 2033 with projected parkland acquisition and development needs



Lower Banner Park renovation: 2024



Park Impact Fee - Comparators

Jurisdiction	Single Family Unit	Non-Commercial (Sq.ft.)
Surprise, AZ	\$ 785.00	\$ -
Loveland, CO	\$ 6,802.00	\$ -
Castle Rock, CO	\$ 6,448.00	\$ -
Boynton Beach, FL	\$ 860.00	\$ -
Roswell, GA	\$ 501.00	\$ -
Carmel, IN	\$ 4,882.00	\$ -
Olathe, KS	\$ 520.00	\$ 0.13
Lenexa, KS	\$ 484.00	\$ 0.12
Leawood, KS	\$ 400.00	\$ 0.15
Gardner, KS	\$ 700.00	\$ 0.11
Liberty, MO ¹	\$ 313.00	\$ -
Grandview, MO ¹	\$ 330.00	\$ -
Kansas City, MO ²	\$ 1,425.67	\$ -
Bend, OR	\$ 7,949.00	\$ -
New Braunfels, TX ³	\$ 2,246.00	\$ -
Provo, UT	\$ 3,088.00	\$ -

¹ Fee in-lieu of land

² Fees in lieu based on 55 single family lot example provided by KC Parks & Rec

³ Fees in lieu and required park development fee per unit



LSPR Board Recommendations

- Residential
 - Demand based fee structure (per bedroom)
 - Range \$250 - \$350 per bedroom
 - Cap fee at 4 bedrooms
- Non-residential
 - Range \$0.20 sq. ft - \$0.30 sq. ft.



Velie Park renovation: 2022



Projected Revenue - \$350 per Bedroom

Impact: 1 Park Every 3 Years

Projected Investment per 15 acre park				\$ 2,120,000.00	
Projected need (to maintain current service level)¹				1 park every year/9 total parks	
Demand Based Approach/\$350 per Bedroom					
		# of Units²	% of Units		
1BR	350	94	14%	\$ 32,900.00	
2BR	700	159	24%	\$ 111,300.00	
3BR	1050	131	19%	\$ 137,550.00	
4BR	1400	214	32%	\$ 299,600.00	
5BR	1750	64	9%	\$ -	
6BR	2100	12	2%	\$ -	
7BR	2450	1	0%	\$ -	\$ 581,350.00
Sq. Ft. Non-Res ³	\$ 0.25		483824		\$ 120,956.00
				Anticipated Annual Revenue	<u>\$ 702,306.00</u>



Summit Park renovation: 2020

¹ Based on population growth through 2033 and expiration of current sales tax.

² Based on 3 year average. Data provided by Development Services

³ Based on 7 year average. Data provided by Development Services



Projected Revenue - \$300 per Bedroom

Impact: 1 Park Every 3.5 Years

Projected Investment per 15 acre park				\$ 2,120,000.00	
Projected need (to maintain current service level)¹				1 park every year/9 total parks	
Demand Based Approach/\$300 per Bedroom					
		# of Units²	% of Units		
1BR	300	94	14%	\$ 28,200.00	
2BR	600	159	24%	\$ 95,400.00	
3BR	900	131	19%	\$ 117,900.00	
4BR	1200	214	32%	\$ 256,800.00	
5BR	1500	64	9%	\$	
6BR	1800	12	2%	\$	
7BR	2100	1	0%	\$	\$ 498,300.00
Sq. Ft. Non-Res ³	\$ 0.25		483824		\$ 120,956.00
				Anticipated Annual Revenue	<u>\$ 619,256.00</u>



Lea McKeighan North Park renovation: 2018

¹ Based on population growth through 2033 and expiration of current sales tax.

² Based on 3 year average. Data provided by Development Services

³ Based on 7 year average. Data provided by Development Services



Projected Revenue - \$250 per Bedroom

Impact: 1 Park Every 4 Years

Projected Investment per 15 acre park				\$ 2,120,000.00	
Projected need (to maintain current service level) ¹				1 park every year/9 total parks	
Demand Based Approach/\$250 per Bedroom					
		# of Units ²	% of Units		
1BR	250	94	14%	\$ 23,500.00	
2BR	500	159	24%	\$ 79,500.00	
3BR	750	131	19%	\$ 98,250.00	
4BR	1000	214	32%	\$ 214,000.00	
5BR	1250	64	9%	\$	
6BR	1500	12	2%	\$	
7BR	1750	1	0%	\$	\$ 415,250.00
Sq. Ft. Non-Res ³	\$ 0.25		483824		\$ 120.956.00
Anticipated Annual Revenue				<u>\$ 536,206.00</u>	



Pleasant Lea Park Renovation: 2023

¹ Based on population growth through 2033 and expiration of current sales tax.

² Based on 3 year average. Data provided by Development Services

³ Based on 7 year average. Data provided by Development Services



Financial Impact on Development/Home Buyer

- Current City of Lee's Summit development fees for a representative single-family home - \$8,900
- Development fees are typically passed on to future homeowner
- Average cost of new home in Lee's Summit - \$460,000
 - Additional cost to homeowner for 4-bedroom home with Park Impact Fee/Percentage of additional cost
 - \$1,200 (\$300/bedroom)/ 0.26%
 - Additional cost for homeowner to amortize over 30-year mortgage
 - \$1,200 increase - \$6.71/mo.
- Average cost to build 200-unit multi-family housing - \$50,000,000
 - Additional cost to builder for 2-bedroom units/Percentage of additional cost
 - \$300/per - \$120,000/ 0.24%
- Average cost 100,000 sq. ft. non-residential development - \$38,800,000
 - Additional cost to builder/Percentage of additional cost
 - \$.25/ sq. ft - \$25,000/ 0.06%



Summary – Regional Permit Fees



* Assumes 4 bedroom home at \$300 per bedroom



Parks and Recreation Board Recommendations

- Residential
 - Demand based fee structure (per bedroom)
 - Range \$250 - \$350 per bedroom
 - Cap fee at 4 bedrooms
- Non-residential
 - Range \$0.20 sq. ft - \$0.30 sq. ft.



Lowenstein Park Renovation: 2020



Questions



Hartman Park renovation: 2016

