



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

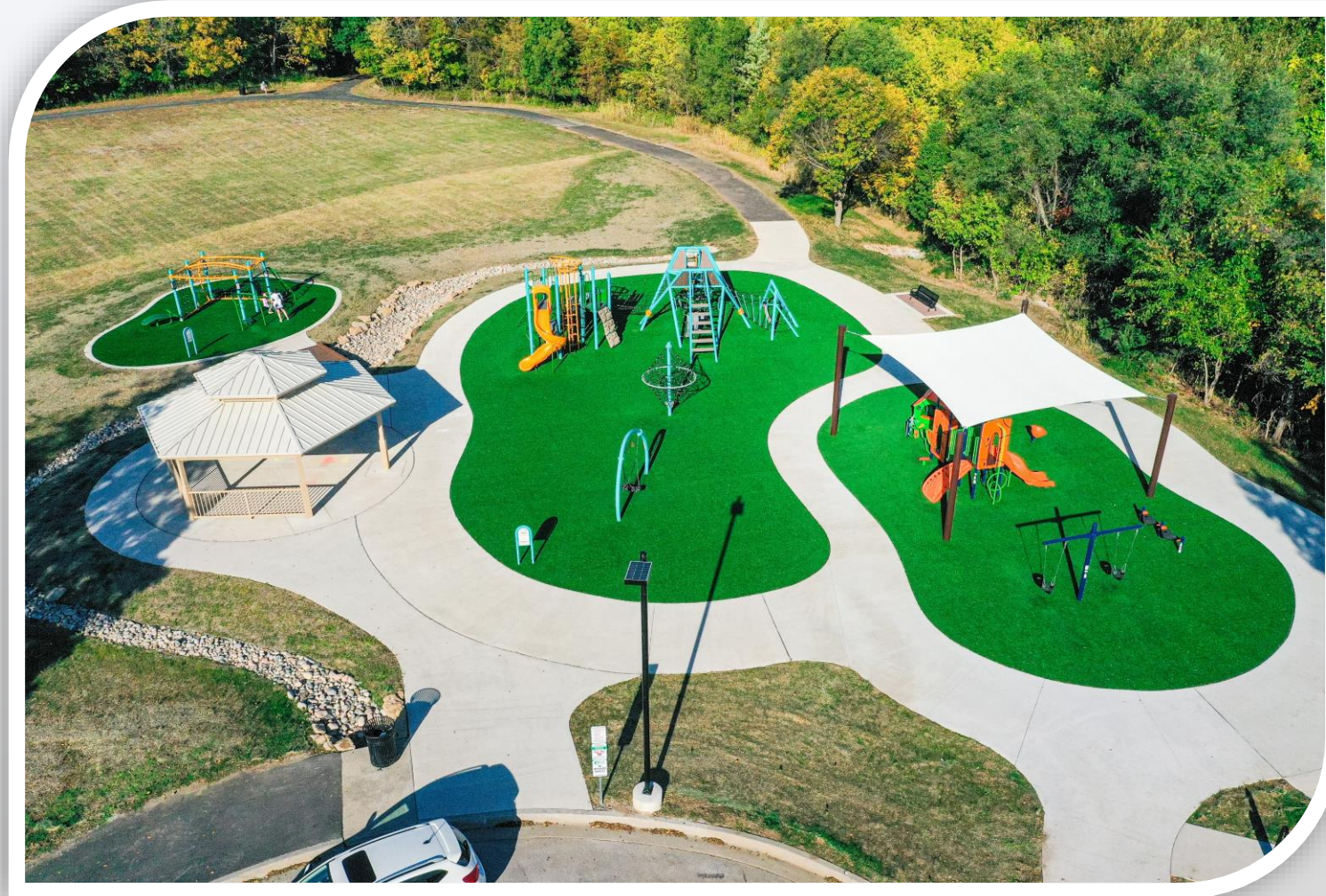
- | | | | |
|---------------------------|---------------------------------------|------------------------|---------------------------------------|
| ○ Columbia, MO | 29.0 acres per 1,000 residents | ○ Raymore, MO | 14.4 acres per 1,000 residents |
| ○ Kansas City, MO | 23.6 acres per 1,000 residents | ○ 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

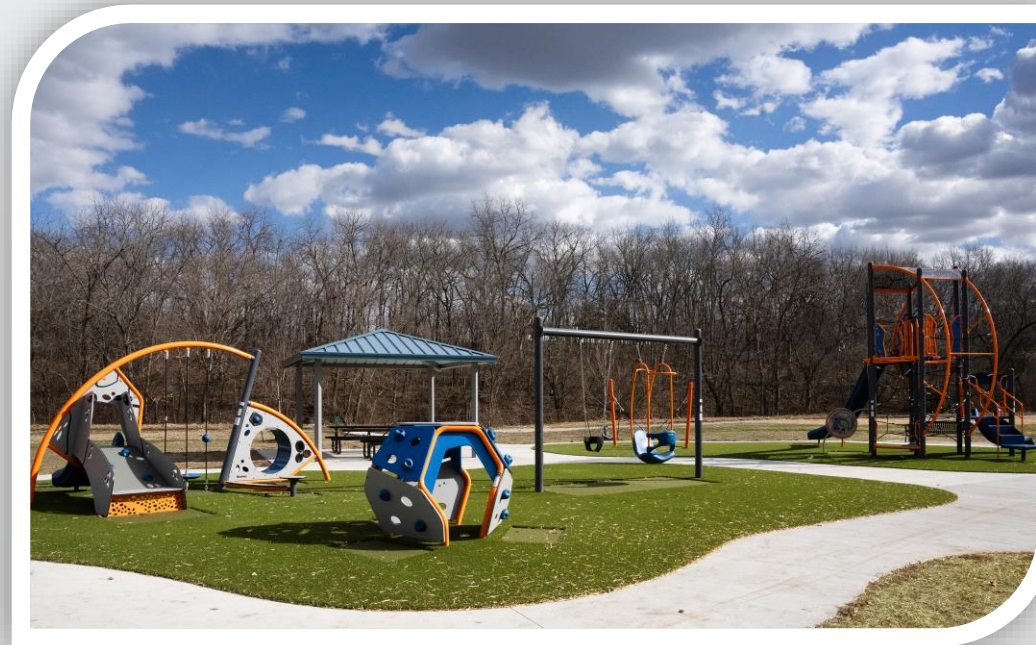


Velie Park renovation: 2022



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

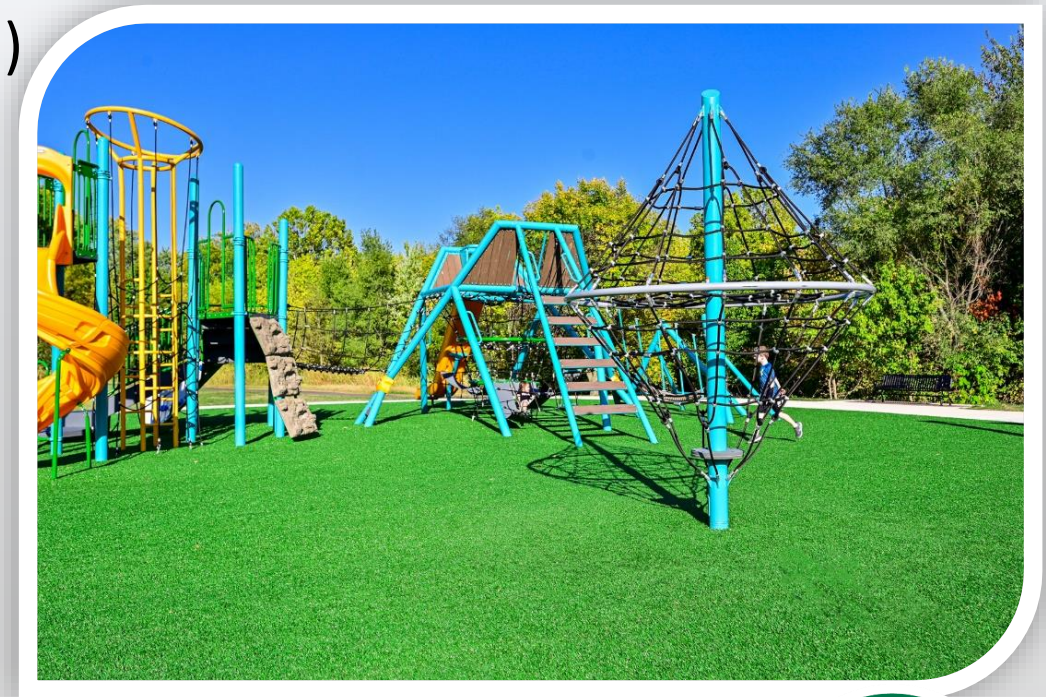
² Fees in lieu based on 55 single family lot example provided by KC Parks & Rec

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 Units² | % 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

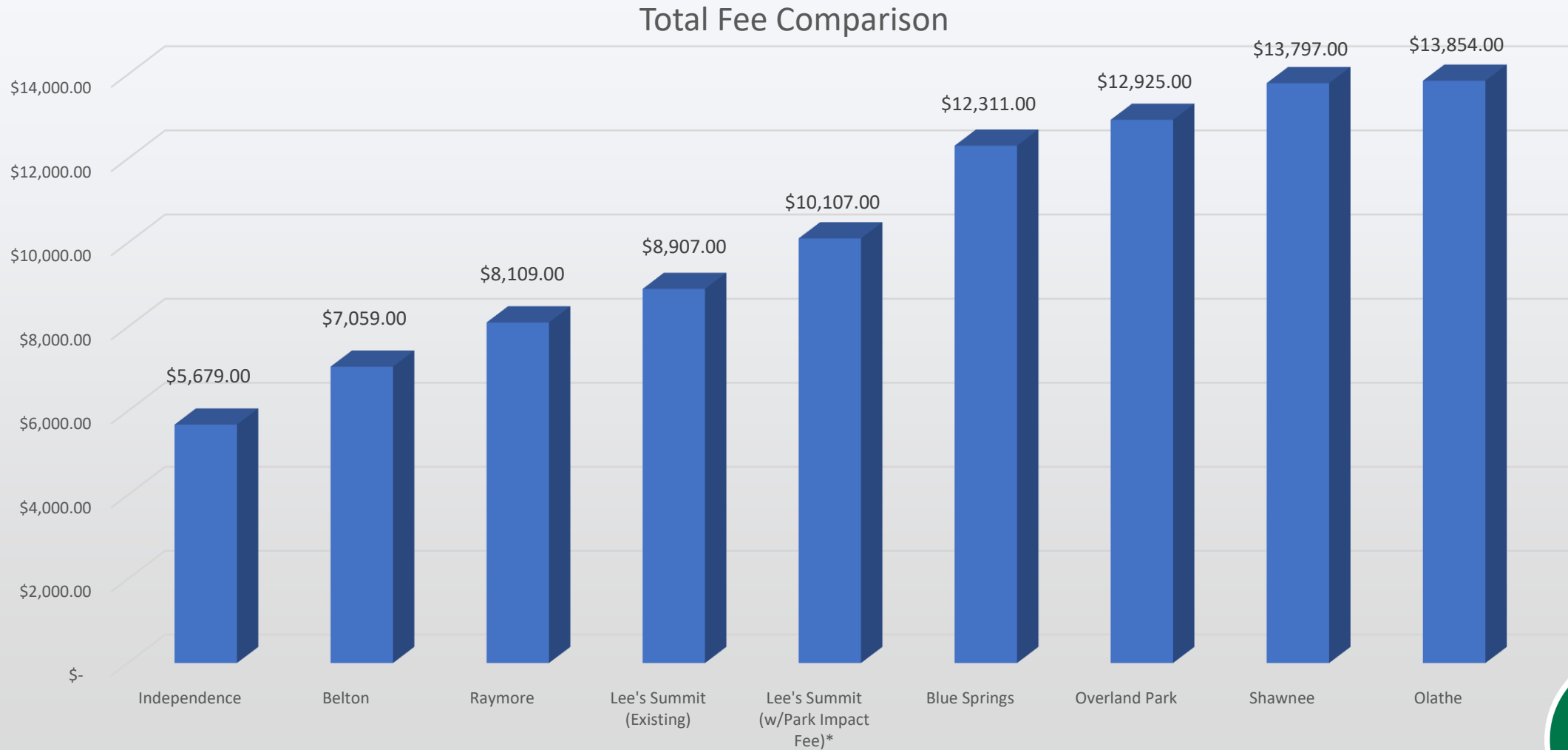


Financial Impact on Development/Home Buyer

- 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

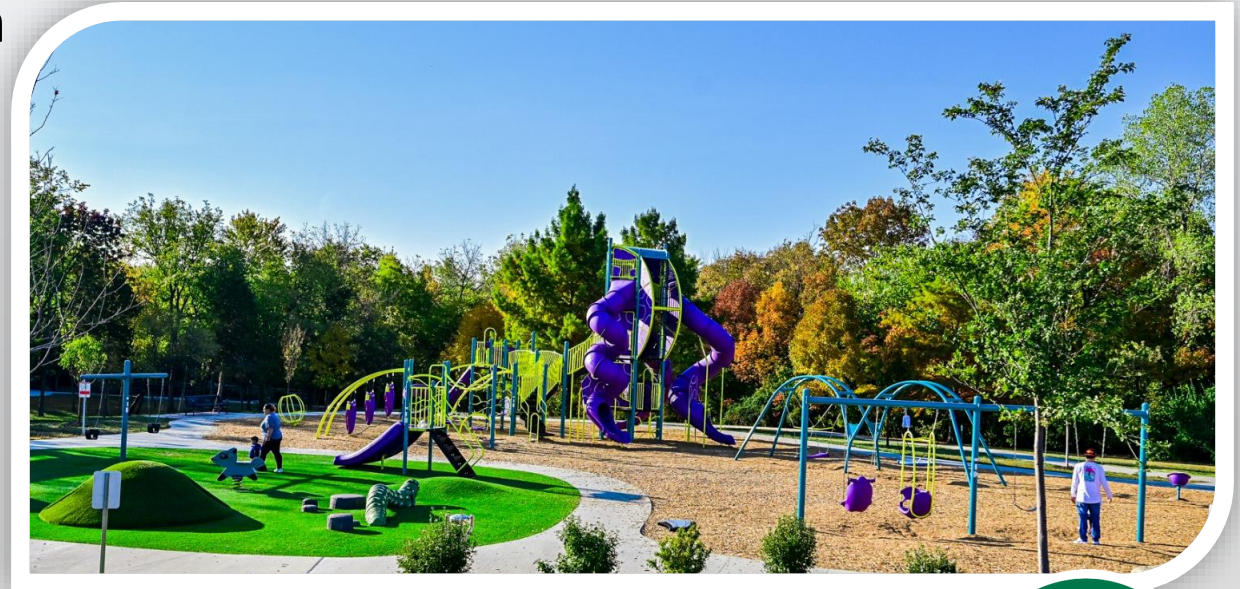


* Assumes 4 bedroom home at \$300 per bedroom



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

