



## Legislation Text

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**DATE:** October 23, 2014

**TO:** Franklin Municipal Planning Commission

**FROM:** Vernon Gerth, Assistant City Administrator for Community and Economic Development  
Lisa Clayton, Parks Department Director  
Catherine Powers, Director of Planning and Sustainability  
Kevin Lindsey, Facilities Superintendent

### **Subject**

Consideration of Ordinance 2014-35, An Ordinance To Amend Section 5.5.4 Of The City Of Franklin Zoning Ordinance Relating To Parks And The Dedication Of Public Land For Parks (10/23/14 FMPC 7-0; 12/09/14 BOMA 8-0).  
Third and Final Reading

### **Purpose**

The purpose of this memorandum and ordinance amendment follows the direction provided to staff during the Joint Workshop held September 25, 2014 when members of the BOMA and FMPC discussed the unintended consequences associated with the City of Franklin's Parkland Dedication Ordinance. Staff recommended temporary ordinance amendment until such time the Comprehensive Master Parks Plan and Needs Assessment has been considered in 2015.

### **Background**

On July 1, 2008 the City's current Zoning Ordinance became effective. Section 5.5.4 discusses the Procedure for Dedication of Public Land for Parks and Greenways/Blueways. Essentially the formula for determining the amount of land to be dedicated for public parks is:

- 1200 square feet per dwelling unit for the first 35 dwellings; and
- 600 square feet per dwelling unit for each additional dwelling unit beyond the first 35 units.

The ordinance provides applicants the option of paying fees-in-lieu of dedicating land based on the currently appraised value of the land. The City uses these funds for acquisition of parkland and related capital improvements associated with expanding the City's park system.

Since the adoption of the current Zoning Ordinance in 2008 there have been six (6) developments that have contributed parkland fees. The name and location of the developments, number of residential units, amount

of parkland to be dedicated, and the paid fees-in-lieu of dedicating parkland are listed on the attached “Fees In Lieu of Parkland Dedication - Summary”. Please pay particular attention to the Appraised Value of an Acre of Land and be advised all of these developments were “greenfield” development projects.

### **Financial Impact**

Following this discussion on parkland dedication, representatives from the proposed Harpeth Square multi-use project will share their plans. The project includes a boutique hotel, retail space, and 159 multi-family residential units. Staff met recently with Harpeth Square representatives and discussed the financial impact of the City’s parkland dedication ordinance on this type of infill re-development. Because the majority of the property to be re-developed was previously improved with buildings the value of the property is much higher than that of vacant, undeveloped land. Attached is a list of the properties included in the Harpeth Square development area including the assessed value of the land and total improved value. Please pay particular attention to the Calculated per Acre Land Value in the far right column.

Last fall Lisa Clayton, Kevin Lindsey, and I shared several potential problems associated with our current, generic Parkland Dedication Ordinance. One of the problems we discussed was the disparity associated with land values in Franklin. Subsequently, we performed an analysis that broke the City into quadrants and calculated the average per acre land value. This value was based on vacant, undeveloped land. The attached exhibit highlights the average value of an acre of land within each of the quadrants.

Based on the discrepancy between the average land value in the four quadrants to the average land value of the proposed Harpeth Square development, staff recommends guidance to draft an amendment to Section 5.5.4 of the Zoning Ordinance. The purpose of this amendment would be to temporarily “cap” the land value at the average per acre value as noted in each quadrant. It is expected this average land value will be adjusted after the Comprehensive Master Parks Plan is completed and considered by the BOMA next year. Equally important, none of the six developments land value that have already contributed parkland fees, exceed the proposed recommendation of the quadrant based per acre average.

The following Parkland Dedication calculations and comparison is for illustrative purposes only:

#### Current Zoning Ordinance:

159 residential units:

35 units x 1200 sq. ft. = 42,000 sq. ft. of parkland

124 units x 600 sq. ft. = 74,400 sq. ft. of parkland

Total parkland dedication 116,400 sq. ft. or 2.67 Acres x \$ 1,111,353 (this is the average assessed value not the appraised value as required by the Zoning Ordinance)

**Total Parkland Fees-in-Lieu ~ \$ 2,967,313 or \$ 18,662 per unit.**

#### Proposed Amendment as Recommended by Staff

Total parkland dedication 116,400 sq. ft. or 2.67 Acres x \$ 200,000 (this is the average assessed value for Quadrant 4 where the Harpeth Square development is located)

**Total Parkland Fees-in-Lieu ~ \$ 534,000 or \$ 3,358 per unit.**

**Recommendation**

Staff recommends **approval**.