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# Memorandum

Date: November 9, 2020

To: Justin Osler, The Martin Group

From: Ben Miller

#### Re: 1188 East 14th Street Residential Mixed-Use Development: Parking Exemption Letter - Final

The purpose of this technical memorandum is to evaluate the adequacy of off-street parking supply for the proposed mixed-use residential development located at 1188 East 14th Street in San Leandro (herein referred to as the "proposed project"). Additionally, this memorandum provides a preliminary strategy for managing parking demand, given that the proposed project is providing less than the prescribed 1.5 onsite parking spaces per residential unit, which is consistent with parking allowances under the *San Leandro TOD Strategy Plan* (TOD Strategy).

# **Project Description**

The proposed project is located at the northeast corner of East 14th Street and Callan Avenue in downtown San Leandro, California. The proposed project site is bounded by Chumalia Street to the north, Hyde Street to the east, Callan Avenue to the south, and East 14th Street to the west. The proposed project is also located approximately one-half mile northeast of the San Leandro Bay Area Rapid Transit (BART) Station and within 500 feet of AC Transit route 1T Bus Rapid Transit (BRT) stops.

The proposed project would demolish three existing structures, including a former CVS drug store, a twostory commercial office building, and a two-story retail shopping center, and construct a mixed-use residential building consisting of 196 dwelling units, approximately 28,868 square feet of retail, and 286 offstreet parking spaces. The proposed project would construct a five-story, 75-foot-tall building, with three floors of residential built over two levels of structured parking with ground floor retail. As shown in **Table 1**, the parking garage would provide 70 parking spaces for retail use on the ground level and 216 spaces for residential use on the second level. 71 of the 216 spaces on the second level would be available to retail customers in the form of flex parking between the hours of 9:00 a.m. and 6:00 p.m. Monday through Saturday. Conversely, ground-level retail parking would be made available to residents during overnight hours when retail parking demand is lowest.

Туре	<b>Ground-Level</b>	Level-Two	Total	
Standard	47	55	102	
Standard EV	1	21	22	
Compact	18	18	36	
Standard ADA	1	6	7	
ADA Van	1	1	2	
ADA EV	2	1	3	
Stackers	0	108	108	
Clean Air/Vanpool	0	6	6	
Total	70	216	286	

# **Table 1: Project Onsite Parking Supply**

#### **City Code Requirements for Onsite Project Parking**

The proposed project is located within the Downtown Area (DA) as identified in the *TOD Strategy*, which recommends a maximum onsite parking supply of 1.5 spaces per dwelling unit. The TOD Strategy's prescribed maximum parking supply is equal to the current *City of San Leandro City Code (City Code)* requirement (Section 4-1704) for onsite parking spaces for DA Districts Not Adjacent (greater than 0.25 mile) to BART. The resulting Code requirement for proposed project residential parking would be 294 onsite spaces, which is 78 more spaces than the project is proposing.

*City Code* further requires retail uses within the DA to provide 2 parking spaces per 1,000 gsf of total floor area, while retail uses below 5,000 gsf are exempt from onsite parking requirements. The proposed project proposes 70 retail spaces, exceeding the retail Code requirement of 46 by 24 spaces. Since the proposed project would provide 286 total spaces, there would be a total onsite parking deficit of 54 spaces based on *City Code* requirements. **Table 2** shows the required and proposed parking supply for each of the proposed project's land uses.

Land Use	Code Requirement	Size	Parking Spaces		
Land Use			<b>Required Spaces</b>	Provided	Difference
Residential	1.5 spaces per unit	196 units	294	216	-78
Grocery	2.0 spaces per	23,189 sf	46	70	24
Coffee Shop	1,000 sf, and retail <5,000 sf in DA District is exempt from parking.	1,547 sf	0	0	0
Bank		2,515 sf	0	0	0
Shopping Center		1,598 sf	0	0	0
		Total	340	286	-54

# Table 2: City Code Requirements for Onsite Project Parking



However, per *City Code* Sections 4.08.116<sup>1</sup> and 5.08.124(c)<sup>2</sup>, parking exemptions may be approved reducing the number of required spaces to less than the number specified by *City Code* Section 1.08.108 if the project parking demand is less than the requirement, if a mixed-use project implements a shared parking model that serves more than one use, and/or if the project is located within one-quarter mile proximity to a transit corridor.

### **Project Parking Management and Operations**

The retail parking would consist of 70 spaces located at ground level. These spaces would be reserved for onsite retail customers only between 9:00 a.m. and 6:00 p.m. and would be time-limited to two hours or less. Outside of the standard retail parking hours (6:00 p.m. to 9:00 a.m.), ground level parking spaces would become available to residents who are returning home. During typical retail operating hours (9:00 a.m. and 6:00 p.m.), retail customers would also have access to up to 71 flex parking spaces located on level two. These spaces are reserved for resident use but would be made available to retail customers as needed during the retail operating hours, when residential parking demand is lowest. During these hours, the access control system located at the level two parking garage ramp on Hyde Street would be opened to allow retail customers access to the available flex parking spaces on level two. Outside of the Flex parking hours, the access control system would only allow access to residents. However, exiting vehicles would be allowed through the access control system on the level two parking garage at any time. The building owner would be responsible for hiring a security guard or parking attendant to enforce parking restrictions and time limits.

Residential parking would be accommodated in the 216 parking spaces located on level two via an access control system. A second access control system located on level two would further separate reserved residential parking from the 71 flex parking spaces. Residential parking would be unbundled from the dwelling unit lease, allowing residents the option to secure on-site parking at a yet-to-be determined monthly fee. A two-hour time limit would be set on parking spaces in the ground level garage between 9:00 a.m. and 6:00 p.m. to ensure parking turnover and availability of retail parking spaces during the day. Similarly, flex parking on level two would be allowed between 9:00 a.m. and 6:00 p.m. to accommodate any potential retail parking demand spillover from level one.

Employees at the proposed project would be required to park off-site at a nearby parking lot or garage. The 2017 *Downtown Parking Management Plan* outlines a number of options for employee parking including

<sup>&</sup>lt;sup>2</sup> City Code Section 5.08.124(c) states "For Parking Exceptions: (1) The strict application of the provisions of this Code would cause particular difficulty or undue hardship in connection with the use and enjoyment of said property. (2) That the establishment, maintenance and/or conducting of the off-street parking facilities as proposed are as nearly in compliance with the requirements set forth in this Code as are reasonably possible. (3) That the provision of additional parking measures for projects shall be allowed to include car share features, transit passes for tenants in residential, commercial, or mixed-use developments, and within one-quarter mile proximity to a transit corridor or other transit facility including a bus stop or BART station. (4) Parking exceptions may be granted to affordable housing and senior housing facilities, or mixed-use developments with shared parking.



<sup>&</sup>lt;sup>1</sup> City Code Section 4.08.116 states "A Parking Exemption may be approved reducing the number of spaces to less than the number specified in the schedules in Section <u>4.08.108</u> Off-Street Parking and Loading Spaces Required, provided that the following findings are made: (a) The parking demand will be less than the requirement in Section <u>4.08.108</u> Off-Street Parking and Loading Spaces Required; and (b) The probable long-term occupancy of the building or structure, based on its design, will not generate additional parking demand; or (c) Existing buildings are converted to new uses, leading to finding A or B above. (d) Shared parking that serves more than one use or site shall be encouraged in Mixed-Use zoning districts."

Part-time Discounted Employee Parking (PDEP) that would provide free or low cost parking in the Estudillo garage for part-time and low-income employees, employee parking validation via codes that are generated daily by parking management software where employees can login or receive daily emails with set codes, and employee parking validation via tokens. Employees would also be encouraged to use alternative modes of transportation such as transit, bicycling, or walking.

# Potential Off-Site Parking Supply

In the event that residential parking demand exceeds the available onsite parking supply, the Project Sponsor would secure an agreement with a nearby City-operated off-street parking lot or garage to accommodate any potential parking demand spillover. Any fees collected by the building operator for residential accessory parking spaces in the event a resident requests more than one space per unit would be applied to potential building operator costs associated with securing additional off-site parking supply and the implementation of a valet service as needed to shuttle vehicles from the project site to the off-site parking garage.

According to the San Leandro *Downtown Parking Management Plan*, there are at least 868 off-street parking spaces located within walking distance of the project site. As shown in **Table 3**, assuming a worst-case peak parking occupancy for all nearby off-street parking, at least 328 spaces would be available at any time that could accommodate the potential parking demand spillover from the proposed project. The Washington Plaza North Lot would have at least 49 spaces available, the Washington Plaza South Lot would have at least 49 spaces available, the Washington Plaza South Lot would have at least 61 spaces available, and the Estudillo Parking Garage would have at least 219 spaces available at any time.

		5 11 5		
Parking Lot/Garage	Total Spaces	Peak Occupancy	Occupied Spaces	Available Spaces
Washington Plaza North Lot	128	62%	79	49
Washington Plaza South Lot	356	83%	295	61
Estudillo Parking Garage	384	43%	165	219
Total	868	62%	540	328

# Table 3: Available Off-Site Parking Supply

Source: City of San Leandro, Downtown Parking Management Plan, July 2017.

Furthermore, the proposed project's parking demand is anticipated to be highest during the overnight hours (10:00 p.m. to 6:00 a.m.), when most residents are home for the evening. Meanwhile, parking demand at the nearby off-street parking lots and garage are lowest during the overnight hours. While most public parking lots and garages in San Leandro do not permit overnight parking, the Project Sponsor is currently working to secure an agreement that would allow any potential parking demand spillover from the proposed project to be accommodated overnight, when these parking facilities are underutilized.



# **City of San Leandro Shared Parking Model Analysis**

Shared parking means that parking spaces are shared by more than one land use, which allows parking facilities to be used more efficiently, as most parking spaces are only used part of the time by a particular land use. For example, the proposed walk-in bank would close in the early evening and would no longer generate parking demand, thus allowing adjacent land uses that are still open to utilize the parking spaces that would otherwise have been supplied exclusively for bank customers. This reduces the overall need for on-site parking supply, which reduces development costs and associated rental costs.

Therefore, a shared parking model was developed for the proposed project based on the Urban Land Institute (ULI) Shared Parking spreadsheet model as modified in the San Leandro 2017 *Downtown Parking Management Plan* (*Parking Management Plan*), which used observed parking occupancy rates in Downtown San Leandro to make adjustments to the standard ULI peak parking demand rates that are typically based on single-use suburban developments that tend to generate higher parking demand than urban areas. The model uses identified peak month, peak day, and peak hour in order to define the maximum parking demand between the project's proposed land uses.

#### Methodology

In order to estimate the extent to which onsite parking can be shared between the proposed land uses, parking demand for each induvial land use was estimated. In order to be consistent with previous parking studies completed in Downtown San Leandro, observed parking demand rates were used from the San Leandro 2017 *Downtown Parking Management Plan (Parking Management Plan)*.

Therefore, for the proposed retail land uses, the Community Shopping Center (<400,000 gsf) land use designation was used, with a rate of 2.18 parking spaces per 1,000 gsf and 0.28 spaces per 1,000 gsf for employees; for the proposed coffee shop, the Fast Food Restaurant land use designation was used, with a rate of 5.74 parking spaces per 1,000 gsf and 1.58 spaces per 1,000 gsf for employees; and for the proposed bank land use, the Bank land use designation was used, with a rate of 1.35 spaces per 1,000 gsf and 0.40 spaces per 1,000 gsf for employees. Residential parking demand assumes 1.5 spaces per unit, per *City Code* requirements.

#### Assumptions

For the purposes of this study and consistent with the proposed project, employee parking demand was not included in the shared parking analysis, as the proposed project would condition all employees to use offsite parking at nearby City Garages during the day. However, employee parking demand is anticipated to peak at 12 parking spaces between 10:00 a.m. and 12:00 p.m. on a typical weekend day. This demand could be accommodated at any of the adjacent off-street parking lots or garages previously discussed.

Based on the mixture of proposed land uses, the proposed project is anticipated to experience a peak parking demand during the month of December, when all of the proposed land uses would generate 100 percent of their expected parking demand for both customer/visitor parking and employee/resident

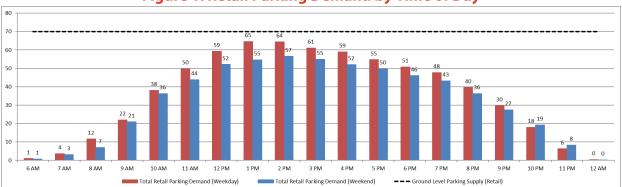


parking. Therefore, no monthly parking demand discounts were factored into the shared parking demand calculations.

For the purposes of this study and to estimate a conservative worst-case parking demand scenario, no vehicle mode share adjustments were made to the shared parking model, despite the proposed project's transit-oriented design and proximity to high-frequency transit. Additionally, residential unbundled parking is assumed to be 100 percent in demand at a rate of 1.5 spaces per unit (per San Leandro *City Code*), despite the potential for residents without cars forgoing use of onsite parking.

# Shared Parking Analysis Results

Based on the previously described methodology and project assumptions, the proposed project's expected parking demand was estimated for the retail land uses and residential use by time of day for a worst-case December weekday and weekend day. **Figure 1** shows total retail parking demand by time of day for both a typical weekday and weekend.





Source: CHS Consulting Group, 2020.

As shown in **Figure 1**, Retail parking demand would peak at 65 spaces during the early afternoon period (between 1:00 p.m. and 2:00 p.m.) on a typical weekday, which could be accommodated within the 70 onsite retail parking spaces provide in the ground-level parking garage. Therefore, at least five retail parking spaces would be available at all times of day. Retail parking demand during the weekend would peak at 57 spaces during the early afternoon (between 2:00 p.m. and 3:00 p.m.), due to the Bank land use that is anticipated to generate less demand and have shorter operating hours on weekends. As a result, retail parking demand is not expected to exceed the onsite retail parking supply at any time.

Residential parking demand by time of day is shown in **Figure 2**.



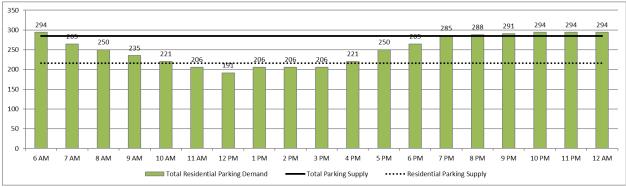
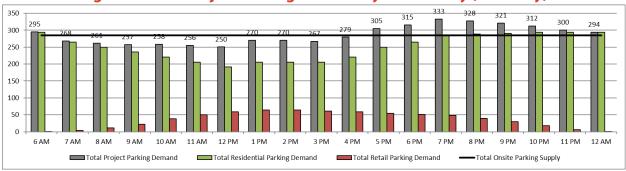


Figure 2: Residential Parking Demand by Time of Day (Weekday)

Source: CHS Consulting Group, 2020.

As shown in **Figure 2**, residential parking demand would peak at 294 spaces during the overnight hours (10:00 p.m. to 6:00 a.m.) when most residents will be home for the evening, exceeding the available onsite parking supply of 286 spaces by up to eight spaces. Assuming full demand for unbundled residential parking, there would be a parking demand spillover of up to eight spaces, requiring residents to park off-site during the overnight hours.

Total retail parking demand and residential parking demand by time of day are shown in **Figure 3**. Under this scenario, the total retail parking demand and residential parking demand are combined to estimate the total project parking demand by time of day.



# Figure 3: Total Project Parking Demand by Time of Day (Weekday)

Source: CHS Consulting Group, 2020.

As shown in **Figure 3**, the total project parking demand would peak at 333 spaces between 7:00 p.m. and 8:00p.m. on a typical weekday, exceeding the onsite supply of 286 spaces by up to 47 spaces. As a result, total project parking demand would exceed the available onsite parking supply of 286 spaces, during the evening and overnight period (between 5:00 p.m. and 6:00 a.m.). Therefore, the proposed project would need to secure an agreement to provide up to 47 off-site parking spaces at a nearby parking lot or garage in the event that the proposed project's residential parking demand exceeds the available parking supply.



#### **GreenTRIP Database of Comparable Developments**

CHS additionally used a San Francisco Bay Area planning resource that has estimated actual parking demand by comparing the proposed project to substantially similar and operational East Bay mixed-use residential developments located near high-frequency transit. TransForm is a Bay Area nonprofit organization focused on promoting walkable communities with a variety of transportation choices. Their research, which assists policy makers, planners, and developers, focuses on reducing greenhouse gas emissions, reducing the combined cost of housing and transportation, increasing the rates and safety for walking and bicycling, and increasing access to jobs via public transportation. TransForm publishes its GreenTRIP Parking Database online, which includes recent survey results for 80 completed multi-family residential buildings to determine utilization of onsite parking supply.

**Table 4** shows two comparable developments that TransForm surveyed in similar East Bay suburbs that provide bundled onsite parking. Bundled parking means that a certain number of spaces are automatically included in the price of rent, whether the resident uses the space or not. These comparable projects were chosen based on their substantial similarity to the proposed project in terms of urban setting, distance from nearby bus and rail transit options, and the size and scale of the developments.

Development	Station Center <sup>1</sup>	New Californian <sup>2</sup>		
Address	34888 11th Street, Union City, CA	1988 Martin Luther King Jr. Way, Berkeley, CA		
Unit Count	157	148		
Parking Spaces Provided	157 (133 shared with retail)	155 (48 shared with retail)		
Parking Spaces Provided/unit	1	1.05		
Parking Spaces Utilization/unit	0.46	0.52		
Observed On-Site Parking Surplus	84 spaces	78 spaces		
Monthly Parking Fee	Bundled with rent	Bundled (Accessory parking \$150)		
Project Details	NA	75,000 gsf of Retail and Café uses, 48 retail parking spaces shared with residential		
Distance to Transit	1/4 Mile: AC Transit service, 1/2 Mile: BART	1/4 Mile: AC Transit, 1/2 Mile: BART		

# **Table 4: Bundled Parking Utilization at Comparable Developments**

1. Source: <u>http://database.greentrip.org/building-report.php?id=210</u>, Accessed June 2019.

2. Source: <u>http://database.greentrip.org/building-report.php?id=222</u>, Accessed June 2019.

As shown in **Table 4**, based on review of these surveyed developments, actual parking utilization ranged from 0.46 to 0.52 parking spaces per unit, compared with a provided onsite parking supply between 1.0 and 1.05 spaces per unit. The Station Center development in Union City provides a bundled parking supply of 1.0 space per unit, but residents only use 0.46 spaces per unit despite no additional cost for parking. The development closest in scale to the proposed project is the 148-unit New Californian development in Berkeley, with 75,000 gsf of supermarket and other ground-level retail, a mixture of bundled and unbundled resident parking options, and close proximity to high-frequency transit. The New Californian provides 155 onsite parking spaces, including 48 Flex spaces shared with the retail land uses, at a rate of 1.05 spaces per unit, but residents only use 0.52 spaces per unit. Given these results, it is reasonable to assume the proposed



project's residential parking demand would not exceed the residential parking supply of 1.1 space per unit (216 residential spaces / 296 units), which is considerably lower than the 1.5 space per unit predicted by San Leandro *City Code*.

# **Unbundled Parking**

CHS further evaluated potential reductions in parking demand with unbundled residential parking for residents of the proposed project. Bundled parking can encourage auto ownership and increase parking demand, as the parking space is viewed as "free", even though it is included in the rental lease. Unbundled parking separates the cost of the parking space from the dwelling unit lease, with occupants only paying for the parking spaces they need. This sends a price signal of the true cost of parking to occupants, which can discourage auto ownership.

Based on research conducted by the Victory Transport Policy Institute (VTPI), unbundled parking can reduce parking demand by 10 to 30 percent.<sup>3</sup> **Table 5** shows the parking utilization rates at comparable developments surveyed by TransForm in similar East Bay suburbs. These comparable projects were chosen based on their substantial similarity to the proposed project in terms of urban setting, distance from nearby bus and rail transit options, and the size and scale of the developments.

Development	Station Center <sup>1</sup>	Oxford Plaza <sup>2</sup>	New Californian <sup>3</sup>
Address	34888 11th Street, Union City, CA	2175 Kittredge Street Berkeley, CA	1988 Martin Luther King Jr. Way, Berkeley, CA
Unit Count	157	97	148
Parking Spaces Provided	157 (133 shared w/ retail)	40	155 (48 shared w/ retail)
Parking Spaces Provided/unit	1.0	0.41	1.05
Parking Spaces Utilization/unit	0.46	0.30	0.52
Observed On-Site Parking Surplus	84 spaces	10 spaces	78 spaces
Monthly Parking Fee	Bundled with rent	Unbundled (\$85/month)	Bundled (accessory parking \$150/month)
Project Details	NA	8,500 gsf of Retail with no shared parking	75,000 gsf of Retail and Café uses
Distance to Transit	1/4 Mile: AC Transit service, 1/2 Mile: BART	1/4 Mile: AC Transit service, 1/2 mile: BART	1/4 Mile: AC Transit, 1/2 Mile: BART

# Table 5: Bundled Versus Unbundled Parking Utilization at Comparable Developments

1. Source: <a href="http://database.greentrip.org/building-report.php?id=210">http://database.greentrip.org/building-report.php?id=210</a>, Accessed June 2019.

2. Source: http://database.greentrip.org/building-report.php?id=207, Accessed June 2019.

3. Source: http://database.greentrip.org/building-report.php?id=222, Accessed June 2019.

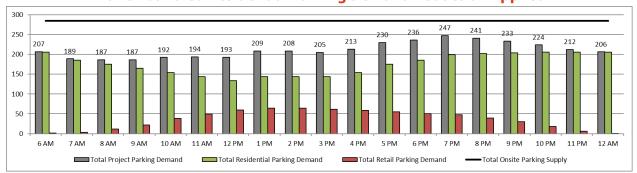
**Table 5** shows that the comparable developments with bundled parking have a higher utilization rate than the development with unbundled parking. Oxford Plaza with unbundled parking has a utilization rate of 0.3 parking spaces per unit, which is 35 percent lower than Station Center (0.46 spaces per unit) and 42 percent

<sup>&</sup>lt;sup>3</sup> Source: <u>https://www.vtpi.org/tdm/tdm28.htm#\_Toc128220488</u>, accessed September 2019.



lower than New Californian (0.52 spaces per unit). Therefore, it can be assumed that similar residential developments in the East Bay suburbs with unbundled parking would experience parking demand reductions of at least 30 percent when compared to similar developments with bundled parking.

As a result, the proposed project's unbundled residential parking would reduce expected parking demand from 1.5 spaces per unit (per San Leandro *City Code*) to 1.05 spaces per unit. This would equate to a peak residential parking demand for up to 206 spaces (=196 x 1.05), which would be fully accommodated by the 216 residential spaces located on level two of the parking garage at all times. As shown in **Figure 4**, when factoring parking demand reductions for unbundled residential parking, the total project parking demand would peak at 247 spaces between 7:00 p.m. and 8:00p.m. on a typical weekday, which would be accommodated by the onsite supply of 286 spaces with up to 39 spaces available at any time.



# Figure 4 – Total Project Parking Demand by Time of Day (Weekday) with Unbundled Residential Parking Demand Reduction Applied

Source: CHS Consulting Group, 2020.

# Conclusion

The proposed project would provide 70 onsite parking spaces on the ground-level parking garage and 216 onsite parking spaces on level-two for a total of 286 onsite parking spaces. Based on *City Code*, the proposed project would otherwise be required to provide 340 spaces, resulting in a parking deficit of 54 spaces. In the event that proposed project parking demand exceeds the 286 onsite parking supply, the Project Sponsor would secure an agreement with a nearby City-operated off-street parking lot or garage to accommodate any potential parking demand spillover. Based on the San Leandro 2017 Downtown Parking Management Plan, there are at least 868 off-street parking spaces located within walking distance from the proposed project, of which at least 328 spaces would be available at any time.

A shared parking demand analysis, based on the San Leandro 2017 Downtown Parking Management Plan shared parking model, shows that retail parking demand would peak at 65 spaces, between 1:00 p.m. and 2:00 p.m. on weekdays, which could be accommodated within the 70 onsite parking spaces provided in the ground-level parking garage. Residential parking demand of 1.5 spaces per unit (per San Leandro *City Code*) would peak at 294 spaces during the overnight hours (10:00 p.m. to 6:00 a.m.), exceeding the available onsite supply by eight spaces between 7:00 p.m. and 6:00 a.m. on a typical day. The combined total retail parking demand and residential parking demand would peak at 333 spaces during the evening (between 7:00 p.m.



and 8:00 p.m.), exceeding the total onsite parking supply by up to 47 spaces. This potential parking demand spillover could be accommodated within the 328 available spaces located in nearby off-street parking lots or garages.

Additionally, a review of comparable development projects in the East Bay surveyed and published by TransForm shows actual parking demand at similar developments in the region with bundled parking range from 0.46 to 0.52 parking spaces per unit, well below the *City Code* prescribed parking requirement of 1.5 spaces per unit. Given these results, it is reasonable to assume the proposed project would not exceed the onsite parking supply of 1.1 spaces per dwelling unit and would not contribute to a parking spillover condition. Therefore, the proposed project's parking demand is anticipated to be fully accommodated at all times of day, provided an agreement is in place to provide additional off-site parking supply in the event that residential parking demand exceeds the onsite parking supply. Furthermore, unbundling residential parking could reduce parking demand by as much as 30 percent, which would result in a residential parking demand for up to 206 spaces that could be fully accommodated by the 216 spaces for residential use on level two of the parking garage at all times. When factoring parking demand reductions for unbundled residential parking demand would peak at 247 spaces between 7:00 p.m. and 8:00p.m. on a typical weekday, which would be accommodated by the onsite supply of 286 spaces with up to 39 spaces available at any time.

For these reasons, the proposed project would meet the requirements for a parking exemption per *City Code* Sections 4.08.116 and 5.08.124(c), as the proposed project is expected to generate parking demand less than required by *City Code* Section 4.08.108, is a mixed-use development with shared parking that serves more than one use, and is located within one-half mile of the San Leandro BART station and within 500 feet of AC Transit route 1T BRT stops.

