

# **Attachment 2**

**October 7, 2014 In-Lieu Parking Study  
Presentation Slides**



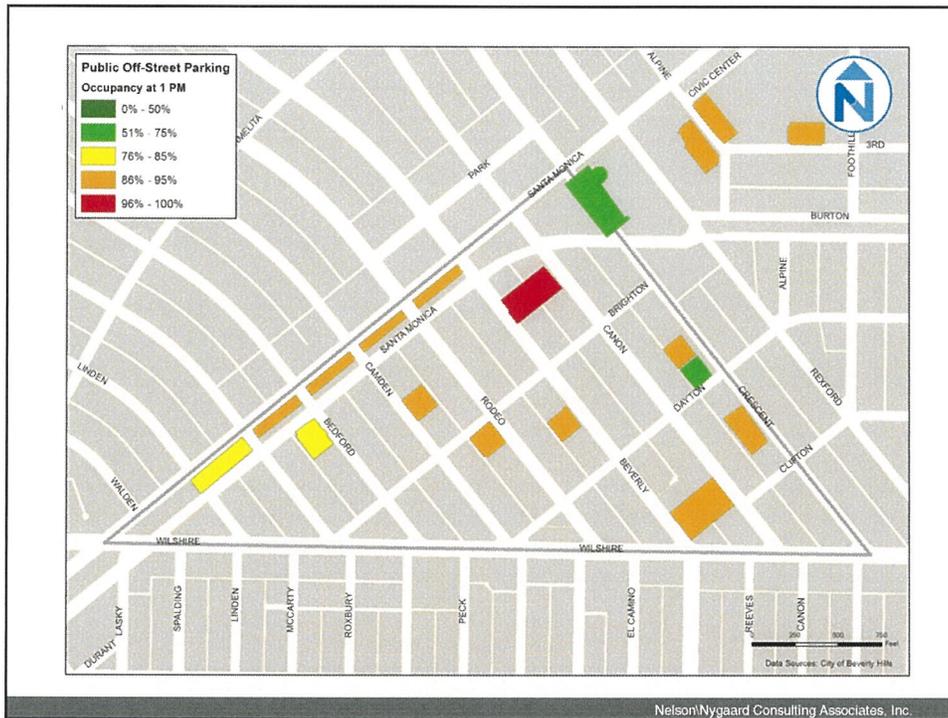
**Beverly Hills In-Lieu Parking Study**

Ria Hutabarat Lo, PhD  
October 7, 2014

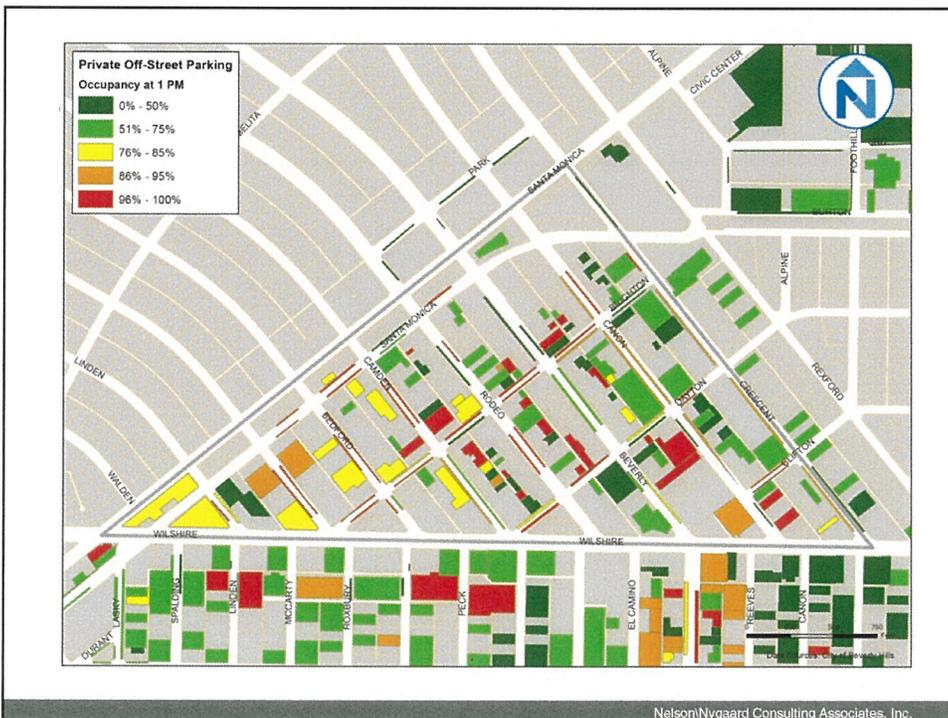
**N NELSON  
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**Existing Parking Conditions in the Business Triangle**



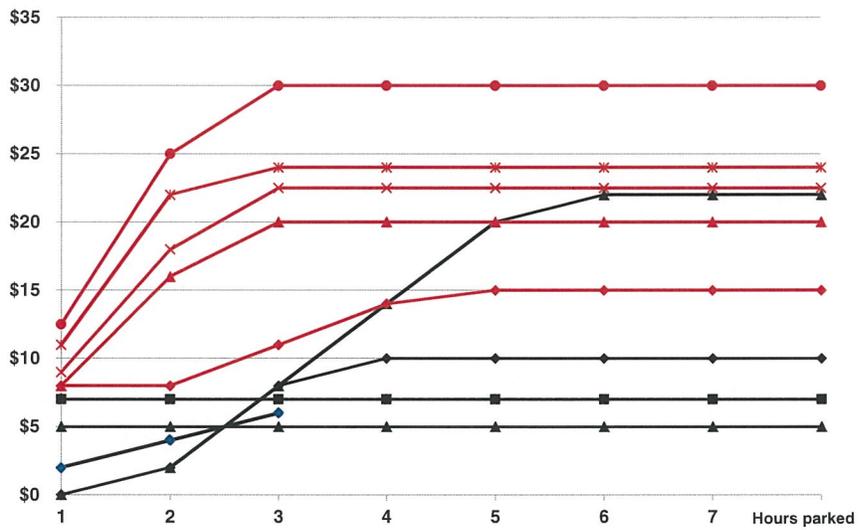


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## Public garages charge below-market rates

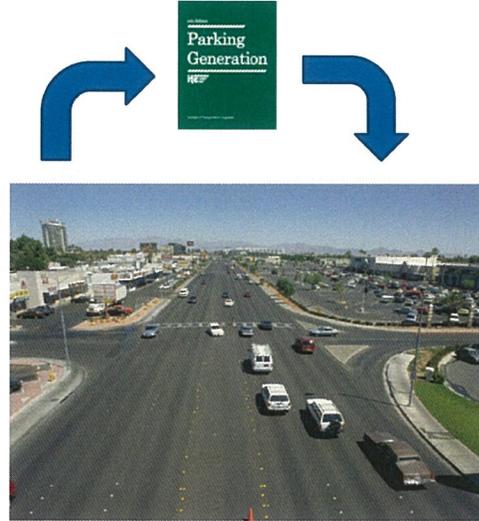


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## Existing In-Lieu Parking Program

## Source of Beverly Hills' parking minimums is unclear

- Parking minimums usually based on:
  - ITE's *Parking Generation*
  - Other cities' rates
- Data is problematic
  - Out of date
  - Out of context
  - Self-fulfilling
- Parking minimums were a proxy for parking demand
  - Now, data is cheap; parking is expensive



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## In-lieu facilitates revitalization and redevelopment

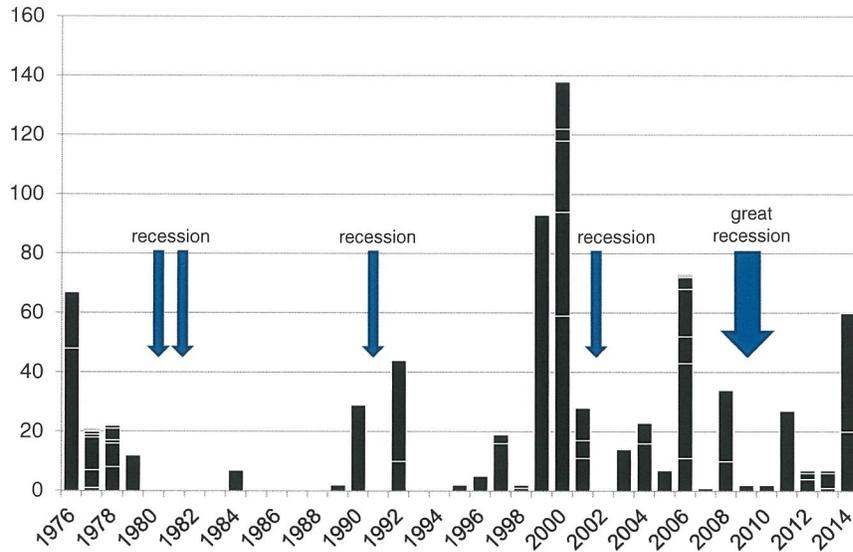
- Provides an option to reduce required on-site parking
  - Uses  $\leq 16,000$  sf that attract pedestrians or retail customers
- Fee per in-lieu space
  - Rodeo Drive: \$47,007.40
  - Beverly Drive: \$37,605.80
  - Elsewhere: \$28,284.60
  - Theaters: 50% of the above
  - Restaurant expansion: \$11,675
- Payment options
  - Up-front or 4 annual installments (owners)
  - 10 annual installments (lessees)
  - Lease option ~\$684/space/year (slow food & commercial lessees)



Photo credit: Kenzo Hsieh 2010

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## Program participation follows the economy



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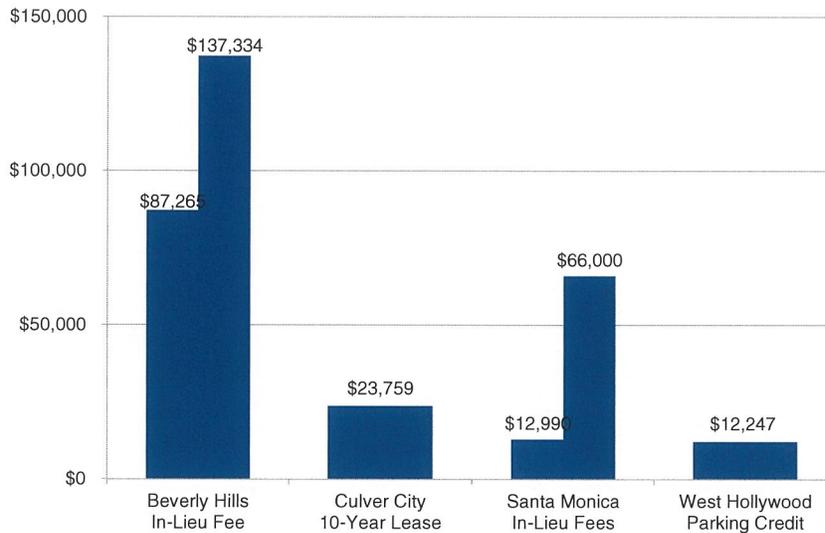
## Program has facilitated development in the Triangle

- Level of participation
  - 748 spaces
  - 27 space per year for 38 years
- Level of revenues
  - \$13.0 M in total revenue raised (\$19.1M in 2014 dollars)
- Level of in-lieu fees
  - Low of \$5,269/space in 1989 (\$9,939 adjusted)
  - High of \$56,188/space in 1995 (\$86,242 adjusted)
  - Average of \$33,000 (adjusted)
  - Fee calculations have become more stable since 1995

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## Costs to business in peer cities

In-lieu payment per 1,000 sf



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## What is working?

- The program has likely facilitated substantial **development**
- The City has maintained high urban **design** standards
- The City has **innovative** parking provision
- Installment options provide **financial flexibility** for developers and more consistent revenues for the City
- The lease option makes it easier to change uses but more difficult for the City to recover costs

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## What needs improvement?

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- Many land uses were **excluded** from the program due to poor pedestrian orientation, but could be included
- Underlying **minimum** parking requirements are comparable to other communities but not in line with best practice
- Developers face the large financial **burden** of building new parking, which is not evenly used

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## What needs substantial improvement?

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- In-lieu program fees
  - Application fee is much higher than comps
  - In-lieu fee is higher than many other cities
- Flexible use of in-lieu fees
  - Share parking before building new garages
  - Projects that increase parking capacity or reduce trips
- Restructuring of parking pricing
  - Free parking undermines the parking market and encourages driving and reparking instead of walking
  - On-street parking should cost more than off-street spaces
  - Parking rates for City employees should reflect true costs



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## Potential Program Expansion to Commercial Corridors

Public parking is very limited in expansion areas

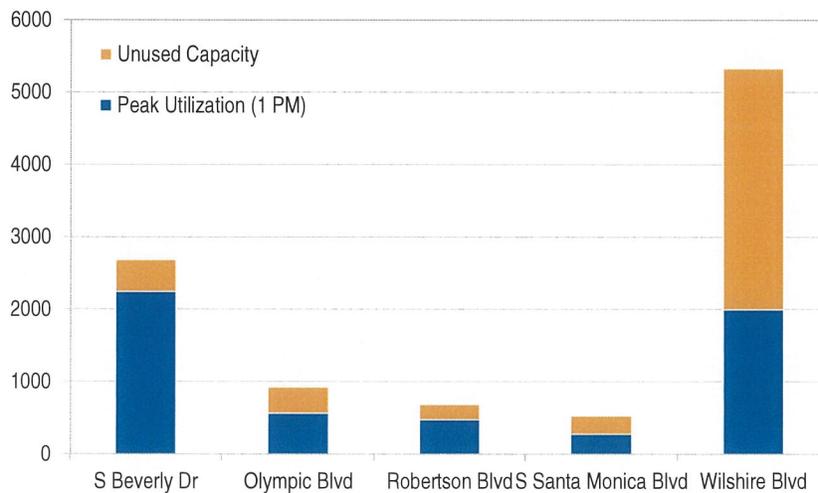


## Private parking capacity is available in all corridors



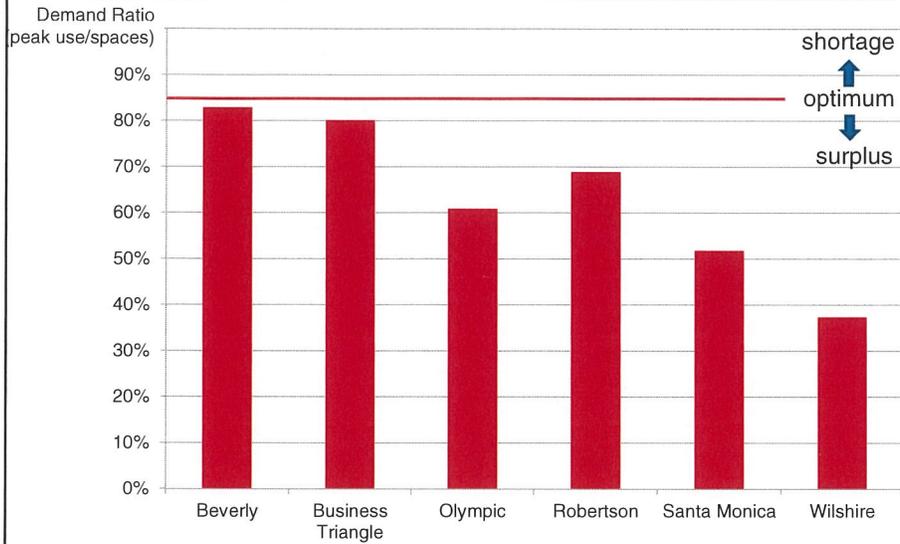
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## Parking demand is highest along Beverly Drive



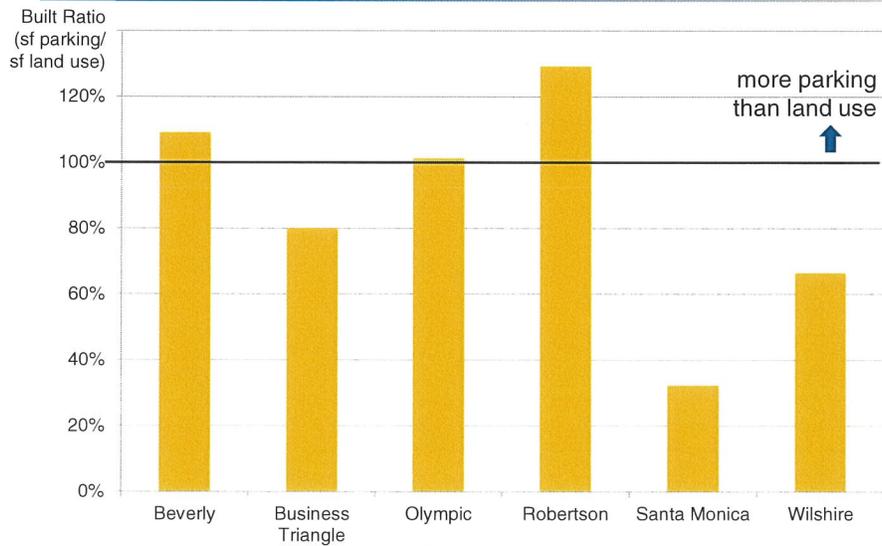
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## There is still available peak capacity



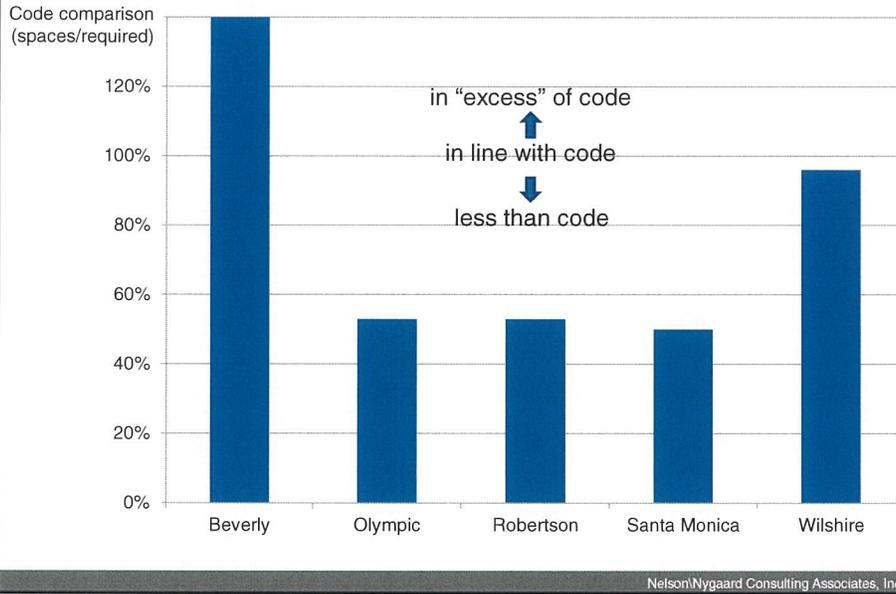
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## Most corridors have more parking than land use

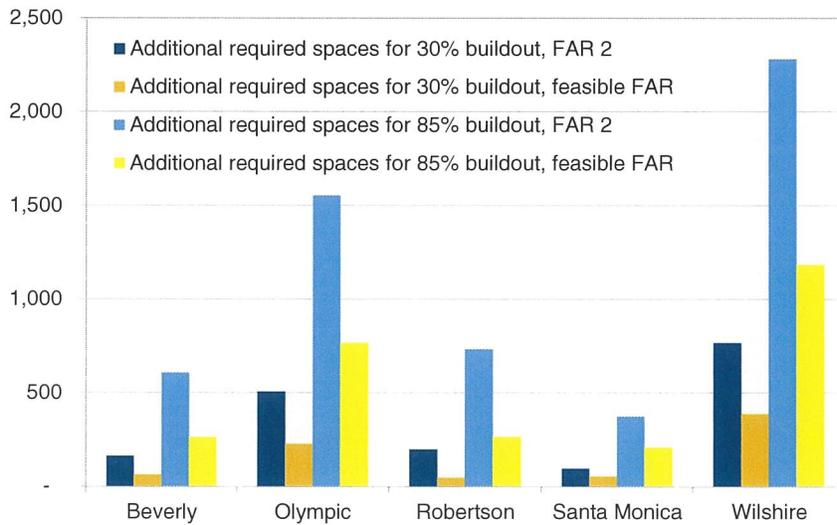


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## The parking code doesn't tell us where parking is needed



## Code requires many more spaces under build out



## Current basic construction costs for new parking

Parking Facility	Cost / Stall	Total Cost (million)	Stalls
Surface Lot	\$6,247	\$0.475	76
Above Grade Structure	<b>\$42,966</b>	\$6.83	159
Below Grade Structure	<b>\$86,178</b>	\$10.9	126
Above Grade Structure w Automated Operation	\$37,523	\$11.3	300
Below Grade Structure w Automated Operation	\$62,060	\$16.8	270
Above & Below Grade Structure w Automated Operation	<b>\$49,792</b>	\$14.9	300

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## Current land costs of new public parking

Location	Land Cost	Total Cost (millions)	Total Stalls
Olympic Boulevard	\$260/sf	\$6.36	159
Robertson Boulevard	\$420/sf	\$9.34	152
Beverly Drive	\$990/sf	\$21.8	159
Santa Monica Boulevard	\$600/sf	\$14.4	159

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## New parking supply is not the panacea for development

- Zoning standards on Robertson are relatively comparable to similar corridors elsewhere
  - Height and FAR are comparable
  - Robertson Boulevard, LA, and Main Street, Santa Monica, have lower restaurants parking requirements
  - Blended rates reduce barriers to changing use on University Ave, Palo Alto
- Parking + setbacks reduce feasible FAR to < 1.1
  - Unless use subterranean parking, which is costly and requires large parcels



Photo credit: NelsonNygaard 2014

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## In-lieu program expansion is only part of the solution

- Prototype developments are not feasible under existing parking and setback requirements
  - 3-story office/retail on Robertson
  - 3-story office/restaurant on Robertson
  - 3-story rental residential/retail on Olympic
- Expansion of in-lieu would improve conditions, but not sufficiently to make development feasible
- Possible encouragement:
  - Subsidy or incentive
  - Reduced parking minimum
  - Allowing automated parking



Photo credit: NelsonNygaard 2014

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## Other opportunities based on industry best practices

### Expanding in-lieu can encourage quality development

- Old Pasadena Credit Program
  - existing public parking and adaptive reuse of historic buildings
- Petaluma form-based code
  - in-lieu fees before phasing out parking minimums



Photo credit: Deino 2011

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## Parking impact fees can fund trip-reduction improvements

- Require nexus between fee and projects
- Palo Alto transportation impact fee
  - new, lower “blended” parking rates
  - Funds for bike, shuttle, TDM, and traffic management programs



Photo credit: Garrillo Miller 2012

Photo credit: Neilson/Nygaard 2014

## PIDs and PAZs can generate revenue for revitalization

- Parking improvement district (PID) builds constituency for meters by funding local improvements
  - Austin’s Parking Benefit District
- Parking assessment zones (PAZs) assess properties based on benefits
  - Requires a vote and nexus study
  - Old Pasadena Management District (hybrid)

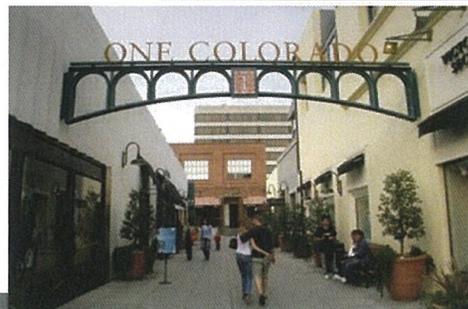
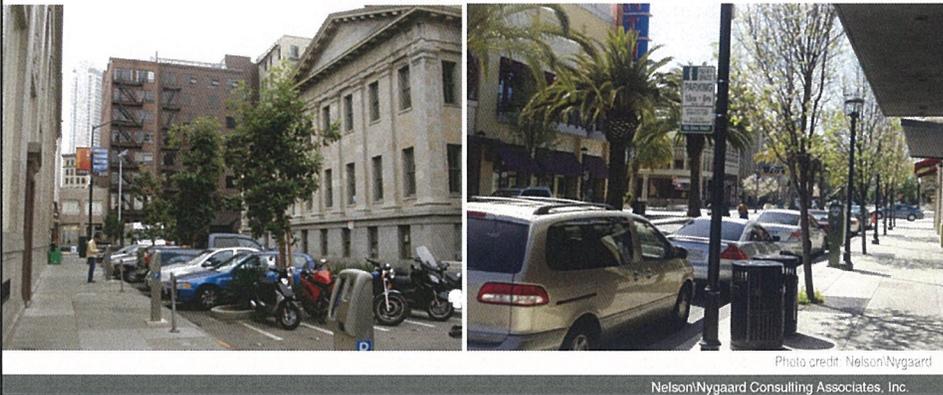


Photo credit: Mike Linksvayer 2017  
Photo credit: hospitable.com

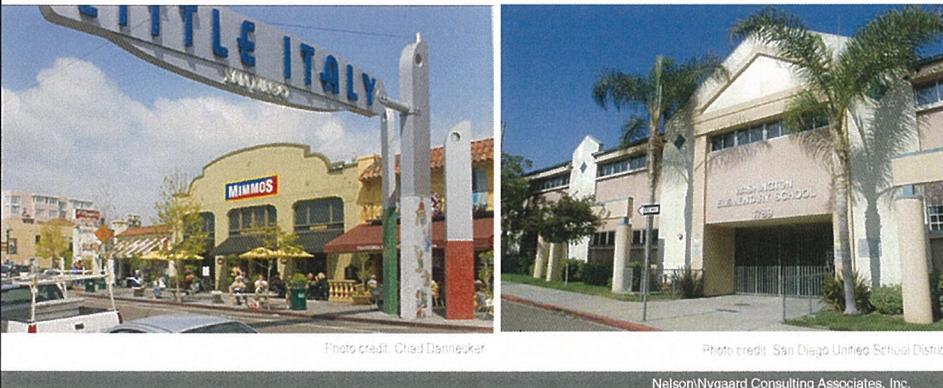
## Parking fees can move demand to unused supply

- Dynamic pricing sets market values for parking
  - SF Park ensures parking availability on every blockface
  - Redwood City dynamic pricing sets prices by zones
  - Wayfinding signs and apps help locate spaces



## Shared parking increases the efficiency of parking use

- Public-private partnerships make effective use of resources
  - Washington Elementary School gains income from shared parking with the Little Italy Association
  - When school is not in session, Horace Mann parking could be used for city or non-profit purposes under the Civic Center Act





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