

TRANSIT PRIORITY AREAS MULTIFAMILY RESIDENTIAL PARKING STANDARDS

PREPARED FOR:



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Acronyms and Abbreviations

- CEQA: California Environmental Quality Act is a regulation that requires state and local agencies to identify the significant environmental impacts of the planned actions and to avoid or mitigate those impacts, if feasible.
- GHG: Greenhouse Gases. Gases that cause the greenhouse effect.
- SB: Senate Bill. A bill that originated or was modified by the State Senate.
- TA: Transportation Amenities. A set of programs and/or infrastructure provisions that are aimed at incentivizing active transportation trips instead of vehicle trips.
- TDM: Transportation Demand Management.
- TNC: Transportation Network Company. This is the official term for rideshare companies such as Uber and Lyft.
- TPA: Transportation Priority Area
- Unbundled parking: Parking which is leased or sold separately from the dwelling unit.
- VMT: Vehicle Miles Traveled.

Background, Purpose and Goals

To address the statewide housing crisis at the local level, Mayor of San Diego, Kevin Faulconer, released the Housing SD Plan, a set of policies and initiatives to increase housing affordability and supply for San Diegans. One of the strategies outlined in the plan is to encourage growth in transit-friendly areas which also supports the goals of the Climate Action Plan as well as recent state legislation that focuses on infill development within Transit Priority Areas (TPA). Adopted in December 2015, the City's Climate Action Plan (CAP) ensured compliance with state laws (e.g. Assembly Bill 32) while helping to ensure the future prosperity and quality of life of San Diegans by leading the way in clean technology industries, advancing the General Plan City of Villages concept, promoting active transportation and rapid transit systems,

What is a TPA?

Transit Priority Areas are defined in California Senate Bill 743 as areas located within one-half mile of a major transit stop that is existing or planned, if the planned major transit stop is scheduled to be completed within the planning horizon included in a Regional Transportation Improvement Program. A major transit stop is defined in California Public Resources Code 21064.3, as "a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods."

fostering programs to create well-paying jobs, and building communities that are resilient to climate change.

The CAP identified five strategies to achieve the aggressive 2020 and 2035 greenhouse gas (GHG) emissions reduction targets. One of the CAP strategies focuses on promoting alternative modes of transportation, strategically placing compatible land uses within close proximity, managing parking, and **revising parking standards**.

Consistent with the California legislature's recent passage of a number of bills into law, including California Senate Bill 743 (SB 743), which suggests reductions in parking requirements in TPAs as a means to reduce vehicle miles travelled (VMT), the City's Planning Department set out to reevaluate multifamily residential parking requirements in TPAs and investigate whether allowing zero minimum parking requirements (also referred to as market-based parking) could help the City meet GHG emissions reduction goals, as well as better realize the complete value of land for housing and business, increase housing supply and affordability, create communities as places to both live and work (City of Villages), and reduce automobile dependency while leveraging transit investments.

Critically, to accomplish its intent of reducing VMT, SB 743 encourages the construction of more high-density residential housing within TPAs without requiring excessive parking. SB 743 further states that a reduction in parking in TPAs is one method of reducing the VMT associated with development projects. By reducing the amount of parking which is available, the use of other modes of transportation is encouraged, and in turn automobile dependency is decreased.

The proposal is zero minimum parking requirements for multifamily residential developments in TPAs. This will allow developers the flexibility to provide on-site parking based on the market demand for a specific development.

In other words, in areas where the market allows for multifamily residential housing to be built without parking, developers would have the flexibility to provide housing with zero on-site parking spaces. In TPAs where parking supply is still desired, developers have the freedom to provide parking as supported by the market.

Project Goals

- Implement the City's Climate Action Plan
- Increase housing supply & affordability
- Reduce automobile dependency
- Realize the complete value of land for housing and business
- Create communities as places to live and work
- Leverage transit investment
- Anticipate emerging mobility options and plan for potential future parking needs

The goal of this report is to examine parking requirements in TPAs within the City of San Diego. However, since the context of downtown San Diego is different than the other TPAs, a downtown specific peer review, as well as separate data collection and analysis were conducted.

Peer City Review for Citywide TPAs Outside of Downtown

A review of peer cities was conducted to inform the TPA multifamily residential parking requirement process, including an examination of where zero minimum parking requirements or parking reduction programs have been successfully implemented to decrease vehicle ownership over time, and lessons that can be learned from these cities. Numerous cities have implemented parking reduction programs for multifamily residential uses within high frequency transit areas, with the intent to

lower vehicle ownership trends within these locations. The downward shift in vehicle ownership can occur by providing residents with the opportunity to live in developments that offer less off-street parking in exchange for other amenities such as transit access and desired locations. Use of policies that also require the unbundling of parking spaces for a residential unit from the cost of the rent or purchase price, have provided individuals the opportunity to both choose a less expensive residential option and a lifestyle with fewer or no car ownership.

Unbundled Parking: A parking strategy in which parking spaces are rented or sold separately, instead of automatically included in the rent or purchase price of a unit.

Three factors informed the initial choice of peer cities and their overall similarity to San Diego. The first factor was comparison of the size and population of the Metropolitan areas for each of the peer cities. The second factor was a comparison of vehicle ownership rates to San Diego (vehicle ownership was used as an analog for parking demand). The final factor was whether cities have implemented similar multifamily residential parking reduction requirements within transit areas, as defined by each peer city.

A handful of cities were investigated in detail, with Seattle and Portland rising to the level of example cities. A detailed report, which includes the peer city selection methodology, a summary of their multifamily residential parking reduction programs, and interviews with city staff can be found in Appendix A.

Seattle, Washington

Starting in 2004, the City of Seattle removed parking minimums for both residential and commercial uses in Urban Centers and Light Rail Station Areas. In 2010, political leaders

wanted to spur development and therefore expanded the geographic area in which no parking minimums were required to include Urban Villages and areas outside of Urban Villages that had frequent transit service. In 2018, Seattle reaffirmed the geographic areas which did not require off-street parking to be built in new developments, as well as the areas which qualify for a 50% reduction with frequent transit service (defined as bus service every 15 minutes in the am peak and twice hourly outside of peak times) outside of Urban Villages, and mandated “unbundled” parking in multifamily residential lease agreements.

The effect of zero minimum parking requirements can be seen in the peer city of Seattle, Washington. Over the last approximately 20 years, households without vehicles have increased and vehicles per household have decreased. These trends correspond with the Seattle’s changes in parking requirements.

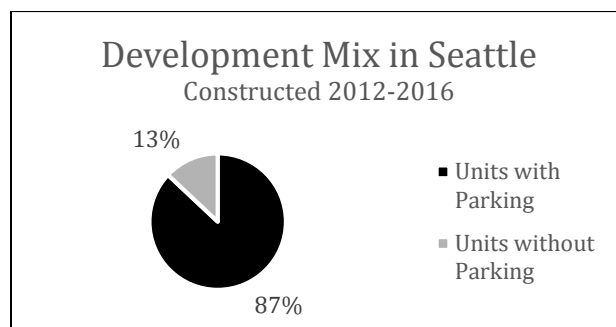
As shown in Table 1, the percentage of households *without* vehicles in the Seattle increased between 2000 and 2016 from 16.3% to 17.1%; this was coupled with a decrease in the average number of vehicles per household from 1.40 to 1.37. The reductions in average vehicle ownership rates, show the success of Seattle’s program. This is compared to San Diego, where in the same timeframe households *without* vehicles decreased from 9.5% to 7.0% and the vehicle ownership rate increased from 1.64% to 1.77%.

Table 1. Vehicle Ownership Rates - Seattle

Households without Vehicles			Vehicles Per Household		
2000	2010	2016	2000	2010	2016
16.3%	15.5%	17.1%	1.40	1.40	1.37

Source: American Community Survey (ACS) Census Bureau

Data from the Seattle’s development permits also underscores the market-based component. Between mid-2012 and late-2016 development data revealed that 87% of units were developed with parking, while 13% of units had no parking.



The City of Seattle’s Neighborhood Parking Program does not require Transportation Demand Management (TDM) measures in conjunction with its parking reductions. In the words of the parking strategist in the Seattle Department of Transportation:

“We started the program in 2004 without requiring TDM, and it’s been so successful we have never had a need to go back and add a TDM component.”

Transportation Demand Management

TDM is a multi-pronged program aimed at reducing vehicle trips and informing, educating and incentivizing people to use transit, biking, walking and ridesharing.

Portland, Oregon

The effect of market-based reduced parking requirements can also be seen in the example city of Portland, Oregon.

Starting in 2002/2003, sites which were within 500 feet of frequent transit service (defined as bus service every 20 minutes) were exempt from minimum parking requirements. Beginning in 2013, Portland

adjusted its code requirements, exempting only the first 30 units, with the subsequent units requiring minimal parking.

Peer City: Portland

For multifamily residential housing within 1,500 feet of a transit station or 500 feet from a transit street with 20-minute peak hour service:

- 0 parking spaces per unit for 1 – 30 units
- 0.20 parking spaces per unit for 31 – 40 units
- 0.25 parking spaces per unit for 41 – 50 units
- 0.33 parking spaces per unit for 51+ units

Mixed-use developments with more than 10 residential units in a major corridor or commercial center close to transit (same as above) need a TDM plan. The TDM plan must be approved before a building permit will be issued.

In setting its 30-unit cutoff point, Portland looked at the cost of on-site parking and its impact on affordability, as well as reviewed seven years of development permits to see in which areas of the city developers were building parking.

As of 2016, 13.7% of households in Portland did not own a vehicle and the average vehicle per household rate was 1.48. In Portland, the trend of households without vehicles and vehicles per household over time is not as linear as in Seattle. However, the percentage of households without vehicles is more than twice the average when compared to the City of San Diego and the second highest of the peer cities.

Starting in 2000, 14% of households in Portland did not own a vehicle, which increased to 14.8% in 2010. After the 2013 amendment requiring additional minimum parking the percentage of households that did not own vehicles decreased to 13.7% in 2016. The trends can be seen below in Table 2.

Table 2. Vehicle Ownership Rates - Portland

Households without Vehicles			Vehicles Per Household		
2000	2010	2016	2000	2010	2016
14.0%	14.8%	13.7%	1.49	1.47	1.48

Source: American Community Survey (ACS) Census Bureau

Similarly, the vehicles per household rate was 1.49 vehicles per household in 2000, which dropped to 1.47 in 2010, and then rose to 1.48 in 2016. However, despite the slight fluctuation, the average vehicles per household in Portland is lower than the City of San Diego and one of the lowest of the peer review cities. A comparison of the vehicle ownership rates can be seen in Table 3 below.

Table 3. Vehicle Ownership Rates – Peer City Comparison (2016)

Metric	San Diego	Seattle	Portland
Vehicles Per Household	1.77	1.37	1.48
Percent of Households w/o a vehicle	6.3%	17.1%	13.7%

Source: American Community Survey (ACS) Census Bureau

In addition to its reduced parking requirements, Portland requires mixed-use buildings with more than 10 residential units in a major corridor or commercial centers within 1,500 feet of a transit station or 500 feet from a street with high frequency transit route service (transit street) with 20-minute peak hour service, to develop a TDM plan. The TDM plan must be approved before a building permit will be issued. The city is also in the process of crafting a multifamily residential development TDM program which will be completed by the middle of 2019.

Transit Ridership

There are many factors which influence transit ridership; reduced parking is not the only causation. However, as shown in Table

4, transit ridership rates are significantly higher for Seattle and Portland in comparison with San Diego. The average public transit weekday ridership of each of the metropolitan areas was divided by the respective cities’ metropolitan areas to normalize the values. Whereas Seattle has a transit ridership rate of 0.15 and Portland has a transit ridership rate of 0.13, San Diego has a transit ridership rate of 0.08.

Table 4. Public Transit Ridership Rates (2017)

Metric	San Diego	Seattle	Portland
Metro Population	3.3 million	3.7 million	2.4 million
Public Transit average weekday ridership (metro area)	269,400	536,700	301,000
Transit Ridership by Population (metro area)	0.08	0.15	0.13

Peer City Review for Downtown Areas

In addition to Seattle and Portland, a peer city review was conducted for the parking policies within the downtown areas of six other cities: San Francisco, Oakland, Sacramento, Santa Monica, Austin, and Minneapolis.

All eight cities (including Seattle and Portland) have zero minimum parking requirements for multifamily residential units in their downtown areas. Seattle is the only city out of the eight, that does not have maximum parking limits within their downtown, as shown in Table 5.

Table 5: Summary of Parking Requirements in Peer Cities

City	Downtown	
	Minimum	Maximum Spaces/DU
Seattle	Zero	None
Portland	Zero	1.2
San Francisco	Zero	0.5 – 1/4DU*
Oakland	Zero	1.25
Sacramento	Zero	1.0
Santa Monica	Zero	0.5 – 1.0
Austin	Zero	0.6 – 1.5
Minneapolis	Zero	1.5 – 1.6

*The top end of the maximum range for San Francisco is 1 parking space per 4 dwelling units.

The following are some key observations as it relates to the Downtown Parking Regulations proposed:

- According to a long-range planner in Sacramento’s Community Development Department, adjusting the parking requirements was the most significant change that the City of Sacramento made to accelerate infill development.
- Minneapolis attributes a measurable decrease in rent to the reduction in parking requirements for multifamily residential developments.
- According to planning staff in Austin, Texas, to date there has not been a market rate multifamily residential development which has provided zero off-street parking though parking minimums were removed in 2009.

As can be seen in Table 5, the proposed maximum of 1 parking space/Dwelling Unit (DU) falls within the ranges of the peer cities maximum allowable parking.

For the other municipalities the changes to parking requirements are too recent to report data; Santa Monica, for example, removed minimums and established maximums in 2017, and staff has not reviewed the data collected to this point.

The Downtown San Diego Off-Street Parking Standards Study can be found in Appendix C.

Outreach

A series of stakeholder focus group meetings was conducted with key interest groups that may be interested in or affected by changes to parking requirements in TPAs. The main objectives of these focus group meetings were to: develop an understanding of the issues related to parking and housing in the City of San Diego, allow for stakeholders to provide input and identify issues during the parking requirement update process, and provide direction on any further analysis that was needed before the parking requirements were updated. The following stakeholders participated in the outreach effort:

- Circulate San Diego
- Climate Action Campaign
- Building Industry Association
- San Diego County Apartment Association
- San Diego Housing Federation
- City of San Diego Parking Advisory Board
- San Diego Regional Chamber of Commerce
- Housing You Matters
- Downtown San Diego Partnership

Common feedback themes included significant support of the proposed regulatory changes, the importance of location given that not all TPAs are the same, the need to consider impacts to on-street parking supply, and the potential to address the challenges of a small lot for infill development in urban areas.

Testing and Data Collection

Citywide TPAs Outside of Downtown

A statistical analysis was conducted using Seattle and Portland as peer cities to develop a model that considers which transportation factors most influence vehicle ownership, and ultimately, parking demand (Parking Demand Propensity Model). First, a comprehensive list of transportation-related factors that could influence vehicle ownership (vehicles per household rates) was compiled in to a database. See Appendix B. The database was then subsequently used for multiple regression analyses. The resulting regression model showed four key transportation factors with the highest influence on vehicle ownership, including: whether the household is a family, median household income, jobs within a mile and jobs within a 30-minute transit trip.

After the resulting model with the four influential factors was developed, it was validated back to census data from Seattle and Portland. Once the validation was confirmed, the model was applied to the City of San Diego's TPAs to establish the propensity for vehicle ownership in TPAs.

Data collection sites were identified throughout the City of San Diego which emphasized sampling within areas of varying levels of propensity for vehicle ownership. On-site data was only collected at market rate multifamily residential developments; no affordable housing or senior housing was included as this was not the focus for this study. Occupancy data was collected at night at each development, once during the week and once on the weekend.

The observed parking demand, both within and outside of the TPAs, was well below the current parking requirements contained in the City’s existing Municipal Code (1-2 spaces per unit within TPAs). Almost 90% of the study sites had a parking demand below what the propensity model projected. Based on this data, it became apparent that the parking reductions predicted by the parking propensity model could be further reduced to meet the current parking demand trends established by the data collection effort within TPAs.

Downtown

As part of this study, data was collected in the parking garages (off-street) of six residential buildings in San Diego’s downtown area. In addition, the on-street occupancy was observed for a 2-block radius surrounding each building.

Occupancy data was collected at night at each parking garage, once during the week and once on the weekend.

As can be seen in Tables 6 and 7 below, the data collected shows that parking demand in the off-street system (garages) is below 1 parking space per unit and never exceeds 1 parking space per bedroom.

Table 6: Weekday Off-Street Parking Occupancy

Building	Weekday Parking Demand Per:	
	Unit	Bedroom [^]
DT-1	0.93	0.75
DT-2	0.89	0.77
DT-3	0.96	0.78
DT-4	0.92	0.79
DT-5	0.93	0.68
DT-6	0.84	--

[^]The bedroom column includes bedrooms and studios. For this purpose, studios are equivalent to bedrooms.

Table 7: Weekend Off-Street Parking Occupancy

Building	Weekend Parking Demand Per:	
	Unit	Bedroom [^]
DT-1	0.83	0.68
DT-2	0.76	0.66
DT-3	0.72	0.58
DT-4	0.90	0.77
DT-5	0.87	0.63
DT-6	0.90	--

[^]The bedroom column includes bedrooms and studios. For this purpose, studios are equivalent to bedrooms.

The demand for parking was higher during weekdays in the parking garages than on the weekend, as can be seen in Table 8 below. This is the opposite of the on-street supply. For on-street parking there was less demand during the week and greater demand on the weekend, when presumably more people are downtown during the evening hours.

Table 8: On-Street Parking Occupancy by Area

Area Surrounding Buildings	On-Street Parking Occupancy	
	Weekday	Weekend
DT-1	65%	94%
DT-2		
DT-3		
DT-4	78%	111%*
DT-5		
DT-6	55%	80%

*Higher than 100% due to illegal parking.

Findings and Conclusions

Citywide TPAs Outside of Downtown

Based on the findings and conclusions made from the peer city review, which were validated through testing and data collection, it is recommended that the City of San Diego adopt components of the parking reduction programs developed in Seattle and Portland.

Based on Seattle’s long-term success with allowing developers to provide on-site parking at a rate which the market demands, it is recommended that the City of San Diego take a similar approach and incorporate zero minimum requirements into the City’s Municipal Code for TPAs outside of Downtown. As noted earlier, after the implementation of zero minimum parking requirements within transit areas, Seattle has experienced lower vehicle ownership rates and higher rates of households without vehicles. These results directly align with the goals of this study.

Additionally, as noted above, Portland currently requires development to include TDM measures for mixed use buildings with more than 10 residential units and is in the process of developing a multifamily residential TDM program.

Requiring developments to include TDM measures is becoming more common in California cities as well. Cities such as Sunnyvale, Glendale, San Francisco, and Sacramento all allow for on-site parking reductions if a development includes specific TDM measures. Requiring or incentivizing development to include TDM measures is also consistent with the vision of numerous state laws such as SB 743 and AB 32, which have the goal of reducing GHG emissions and vehicular traffic statewide. Additionally, requiring or incentivizing development to include TDM measures is consistent with the City’s Climate Action Plan.

Similar to TDM, Transportation Amenities are features provided by a development that reduce vehicle trips and inform, educate, and incentivize transit use, biking, walking, and ridesharing. Transportation Amenities can be physical improvements that not only provide a direct benefit to a resident of a development but may also provide a community benefit.

It is recommended that all multifamily residential developments within TPAs outside of Downtown provide Transportation Amenities. Therefore, it is also recommended that this requirement gets incorporated into the City’s Municipal Code.

The higher the vehicle demand in a particular area, the more transportation amenities will be required. The intention of this is to provide more transportation amenities to foster and encourage use of alternative modes of transportation and ensure that these areas which currently are more automobile dependent can transition to an area where people can live, work and play.

The Transportation Amenity Score is determined by the top four factors which influenced automobile ownership identified in the regression analyses. These factors are shown below in Table 9, along with the analogs used in the Land Development Manual Appendix Q.

The Transportation Amenity Score methodology can be found in Appendix B.

Table 9: Transportation Amenity Scoring Table

Points	Average # Bedrooms (Bedroom Ratio Score)	Jobs Within one Mile (Jobs-Housing Score)	Environment Priority Index	Jobs within a 30 Minute Transit Ride (Commute Score)
0	3+	≤4,500	<10	-
1	3-2.5	>4,500	10.1-25	≤25,000
2	2.49-2.0	-	25.1-40	>25,000
3	1.99-1.75	-	40.1-55	-
4	1.74-1.5	-	>55	-
5	<1.49	-	-	-

The Transportation Amenity Score is used to determine a project’s Transportation Amenity requirements, as shown in Table 10.

Table 10: Transportation Amenity Scores & Corresponding Requirements

Transportation Amenity Score	Transportation Amenity Requirement
1-3	6 points
4-7	4 points
8-9	2 points
10+	0 points

The City is developing a list of Transportation Amenities that could be used to satisfy the Transportation Amenity requirement, along with corresponding point values. These amenities can be further refined as necessary throughout this process and as new technologies and amenities become available in the region. A current list can be found in the Land Development Manual Appendix Q.

Additionally, if parking is provided for market rate multifamily residential developments within TPAs, all parking should be required to be unbundled. As mentioned above, unbundled parking refers to a parking strategy in which parking spaces are rented or sold separately, instead of automatically included in the rent or purchase price of a unit. This reduces the cost for residents that do not own a vehicle and helps to inform residents of the true cost of parking by allowing residents to evaluate how many vehicles, if any, their household needs and placing a cost on the storage of vehicles. It also incentivizes alternative modes of transportation that may be less costly such as walking, biking and taking transit which aligns with the goals in the City’s Climate Action Plan.

Downtown

As can be seen from the Downtown specific peer reviewed cities, some municipalities

attribute the removal of minimum parking requirements and implementing parking maximums to positive changes. The City of Sacramento credited changes in parking requirements for an increase in infill development. The City of Minneapolis credited changes in parking requirements with a decrease in the rental costs. And the City of Seattle had downward trending vehicle ownership rates over the twenty-years the City has been decreasing parking requirements.

It is recommended through this benchmarking, along with data collected through observational surveys, that parking minimums in Downtown are removed and the current minimums of 1 parking space per unit are adopted as parking maximums. In addition to instating maximums, it is recommended that any off-street parking which is supplied, be unbundled. Changes of this nature are not anticipated to impact the on-street parking supply in a noticeable way since, as mentioned above, demand never exceeded one parking space per unit and the demand for parking in the on-street system occurs at opposite times as the demand for the off-street system.

Additionally, because Downtown has a robust transit network in place, any multifamily residential developments in the Downtown would be not be required to provide Transportation Amenities.

Therefore, it is recommended that the City of San Diego incorporate these changes in the City’s Municipal Code for Downtown.