

Parking Strategies That Support Affordable Housing

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**New Partners for Smart Growth
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A case study approach

1. Gaia Building, Berkeley, CA

- Using design & parking policy reforms to make market-rate housing more affordable by design

2. Mission Boulevard Corridor Specific Plan & the S. Hayward BART Form-Based Code, Hayward, CA

- Removing minimum parking requirements in an auto-dependent suburb

3. California's AB 744, SB 35 & SB 827

- Enacting statewide laws that limit ability of local jurisdictions to impose minimum parking requirements

Case Study: The Gaia Building, Berkeley, CA



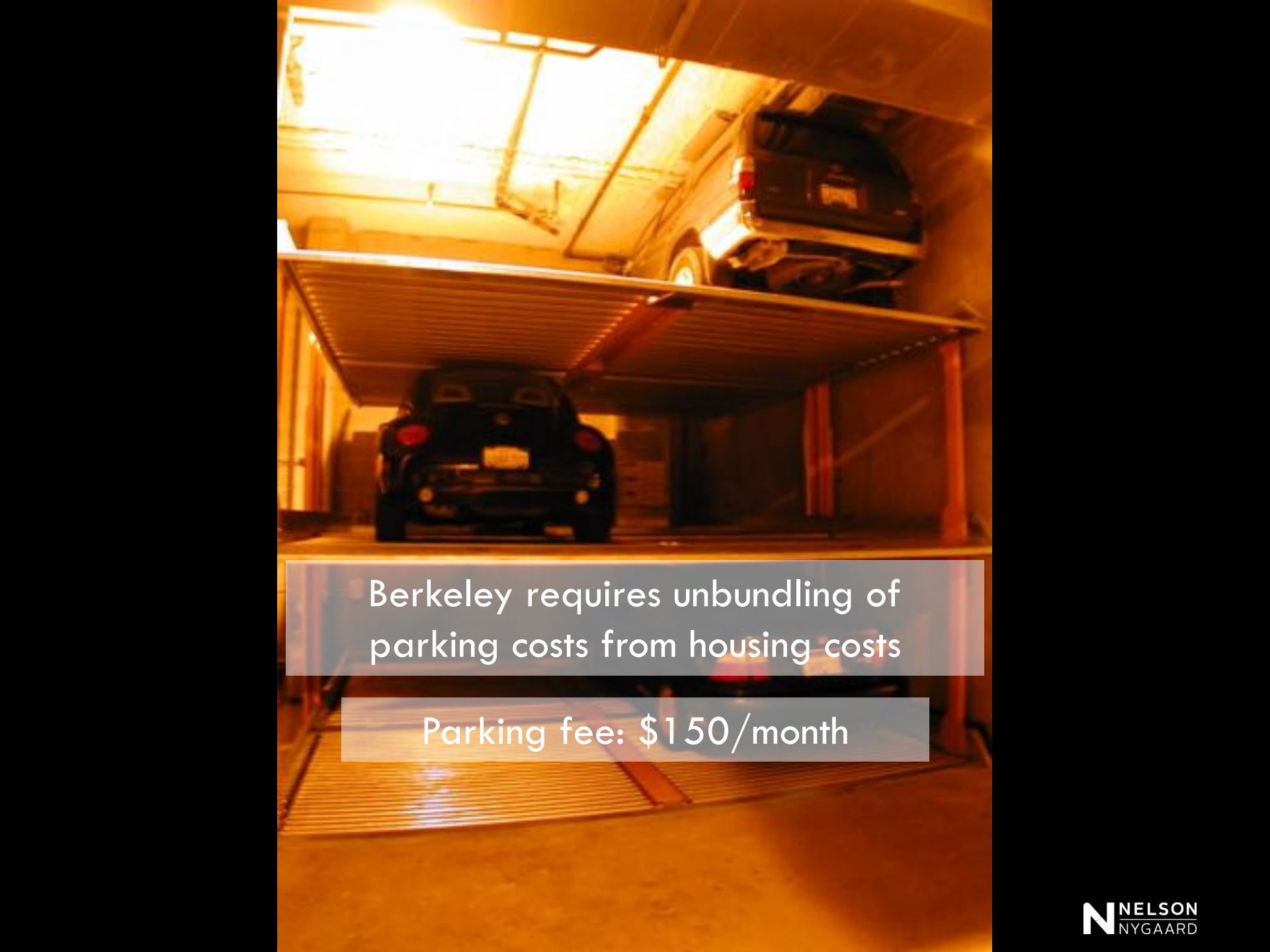
**Gaia
Building in
background,
Berkeley,
CA**



The Gaia Building – Project Characteristics



- 91 apartments, theater, café & office space
 - 19 apartments are below market rate units
 - 1 studio, a bunch of 1 BR's, a bunch of 2 BR's
 - 42 parking spaces proposed
 - <0.5 spaces/unit)
-
- What would be the obstacles to building homes with this level of parking supply in your town?
 - What could we do to overcome those obstacles?



Berkeley requires unbundling of
parking costs from housing costs

Parking fee: \$150/month

Managing curb parking → Unbundling parking costs

Cost of parking “unbundled” from other goods & services

Hourly & daily fees

Monthly fees

Parking condominiums

Rents must be lower when separate parking fee is charged, to remain competitive in the marketplace

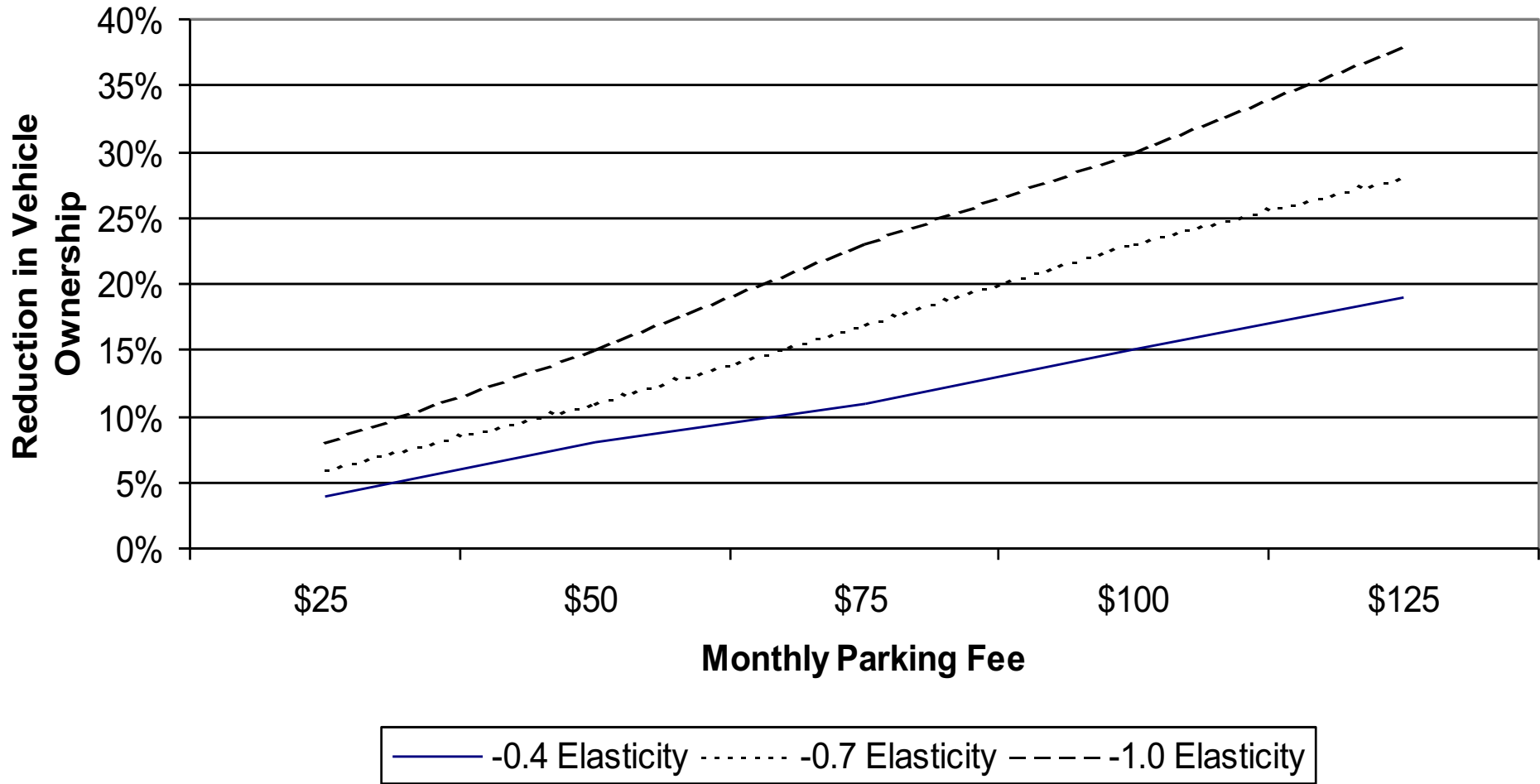
Cost of parking is revealed to the user

People save money by using less parking

Less parking demand, less congestion, less pollution

Unbundling parking costs at residences

Reduction in Vehicle Ownership from Unbundling Parking Costs





The Freedom of
Driving WITHOUT
The Hassles of Ownership



In Downtown Berkeley, new residential buildings are required to offer parking spaces to carsharing vehicles (if the building includes parking)

The Gaia Building – Parking Demand



- 91 apartments, theater, café & office space
 - 42 parking spaces supplied
- Result: 237 adult residents with just 20 cars

Gaia Building, Berkeley, CA: Property Taxes Before & After

GAIA BUILDING (2001)

Location
2116 Alston Way
Berkeley, California

Lot Size
14,882 sq ft

Units
81 Apartments
(10 townhomes)

Security
24/7 under watch

Parking
40 spaces

Commercial Space
11,512 sq ft
(includes theater)

Amenities
High-speed internet access
Central vacuum
Roof-top garden
24-hour fitness center

Awards
Excellence in Design
Downtown Berkeley Association



August 2001



June 2000

COMPARISON	BEFORE	AFTER
Use	Abandon Bldg	91 Apts Jazz Club Art Center Theater
Assessed Value	\$434,000	\$32,800,000
Prop. Tax	\$16,786	\$496,872
Cap. value of Prop. Tax @ 5%	\$335,720	\$9,937,400
# of Residents	0	237
# of Businesses	0	4
# of cars owned by residents	0	34 est.

2008 Taxes

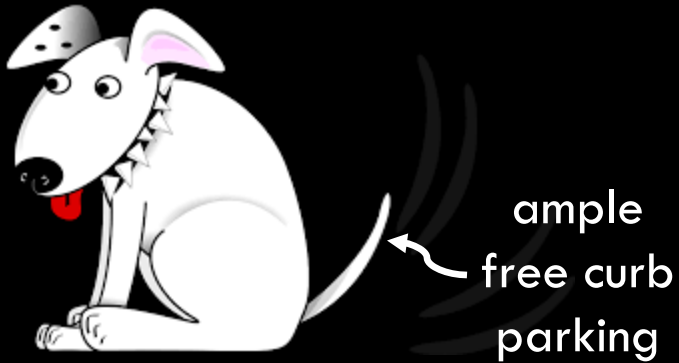
**In American city
planning, curb parking
is the tail that wags
the dog.**



The unexamined first
priority of many planners
and politicians is
maintaining curb parking
availability.



**California city planners
have achieved the
unimportant: ample free
curb parking...**



**by sacrificing the
important: beautiful
neighborhoods, affordable
housing, clean air, safe
places to walk and bike.**



Three Reforms

- 1. Charge the right prices for curbside parking**
- 2. Return the parking revenue to the blocks where it is generated, to pay for public services**
- 3. Remove minimum parking requirements**

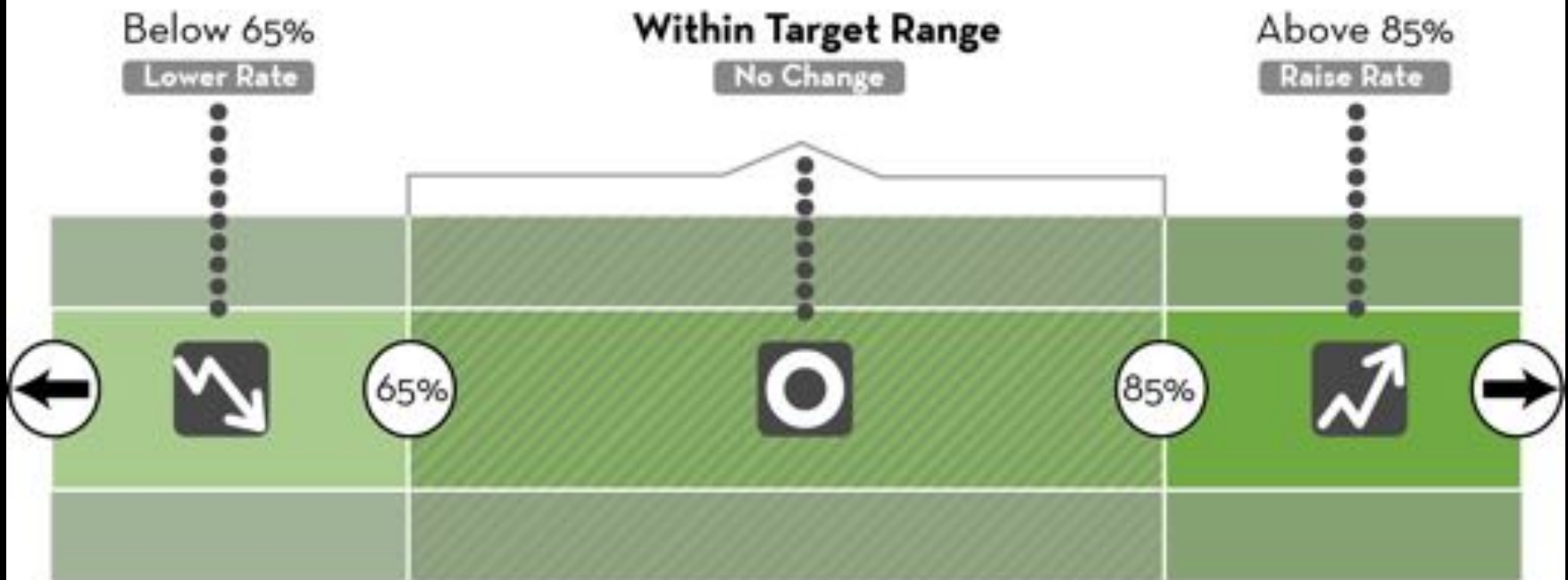
goBerkeley parking reforms



1. Charge the lowest price needed to achieve 65-85% occupancy on each block
 - Currently \$2 - \$3.50 per hour
2. Revenues fund public services for the blocks where the revenue is collected
 - Security, cleaning, help for the homeless, parking



Performance-Based Pricing at Work



- Automated License Plate Recognition (LPR) for enforcement & measuring occupancy
 - LPR on 5 enforcement vehicles
 - Automatically generates parking occupancy maps
 - Open-source software!
-
- Xerox: \$500K contract to act as "system integrator"
 - PCS Mobile: \$450K contract to provide 5 Genetec LPR systems



goBerkeley Results



- Most drivers surveyed say “finding parking is easy.”
- More drivers use formerly underused garages
- Less circling for underpriced curb parking
 - 693,000 fewer vehicle miles of travel/year
 - = 238 trips SF to NYC



goBerkeley performance-based parking pricing program



“I think goBerkeley is one of the greatest ideas that we’ve had for many, many years...The anecdotal evidence that I hear ... is that there have been a few minor glitches, but the overwhelming sentiment is that this has been really successful.”

-- Councilmember Kriss Worthington

Source: <http://www.dailycal.org/2016/06/01/city-council-discusses-potential-changes-to-parking-policies-at-special-meeting/>

Managing curb parking - Errors to avoid

Boston's Beacon Hill neighborhood

- 3,933 resident permits issued - free
- 983 curb spaces available
- Lesson: *limit # of permits issued to less than the spaces available*

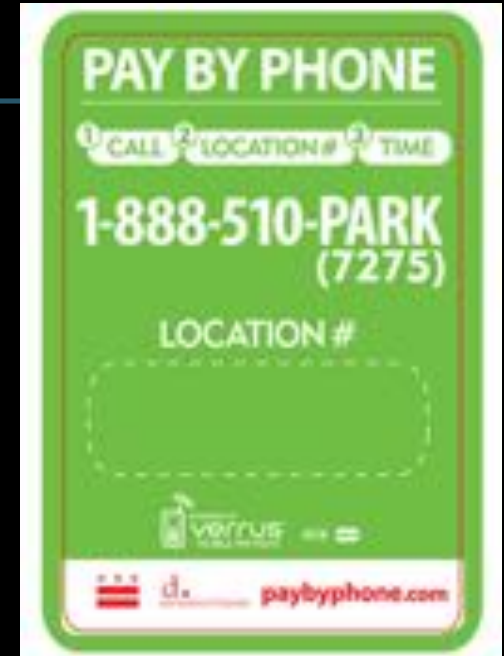


Residential Parking Benefit Districts

1. Charge **non-residents** the right prices for curb parking.
2. Return the revenue to the neighborhood to pay for public services
3. Let **existing residents** park free or cheaply
 - Limit # of resident permits issued to # of available spaces
4. Remove minimum parking requirements

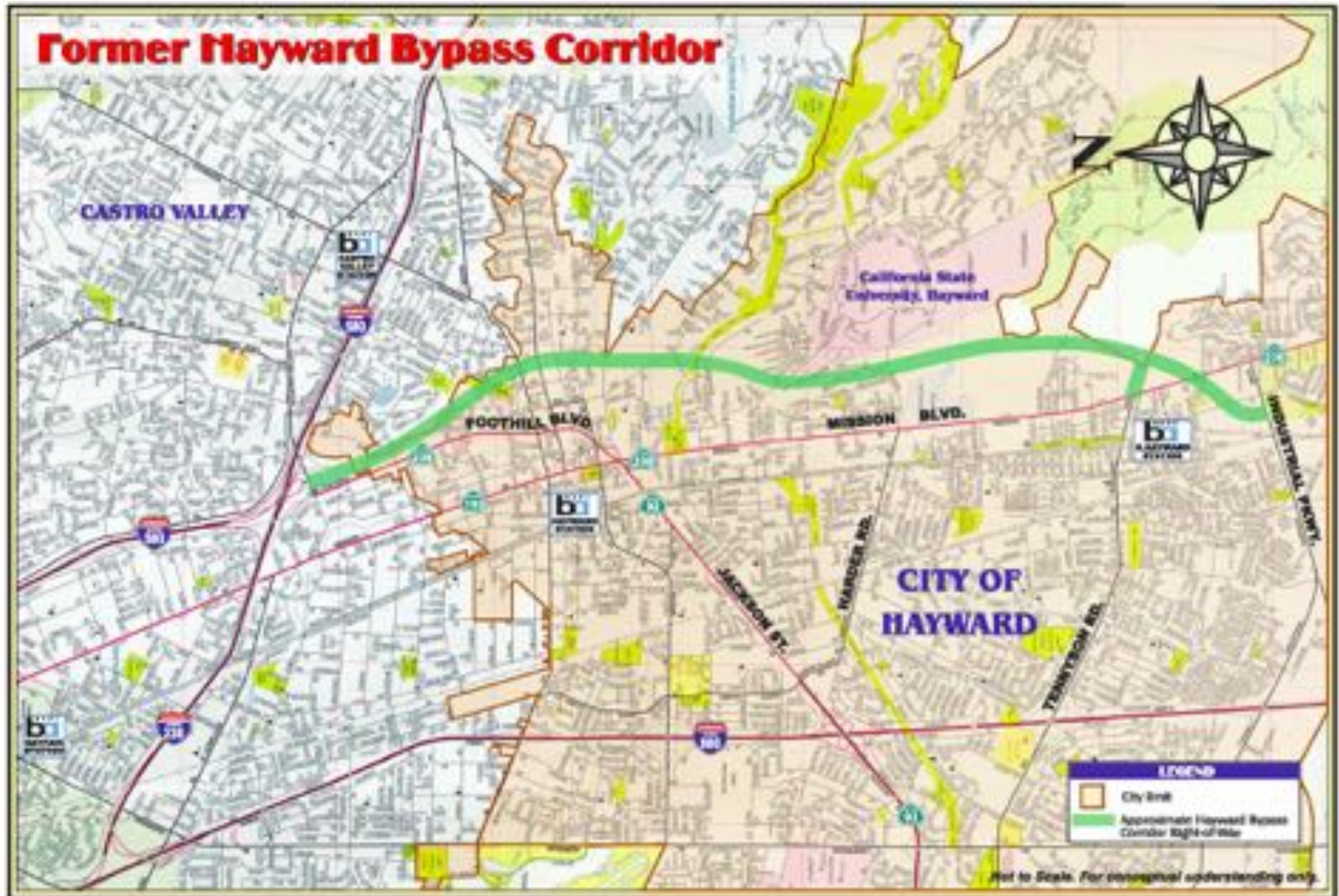
Example: Laguna Beach, CA

- Non-residents pay \$1-\$3/hour
- Residents pay \$40 per year



MISSION BOULEVARD CORRIDOR SPECIFIC PLAN & THE S. HAYWARD BART FORM-BASED CODE

Hayward, CA: Planning a corridor after a freeway was rejected



South Hayward BART Commuter Parking Lots (10+ acres)



Parking: High & Low Traffic Strategies

	Conventional Minimum Requirements	Abolish Minimum Requirements	Set Maximum Requirements
Typical Approach	<ol style="list-style-type: none"> 1. Requirement > Average Demand 2. Hide all parking costs 	<ol style="list-style-type: none"> 1. Charge the right prices for curb parking 2. Return the parking revenue to the blocks where it is generated 3. Remove minimum parking requirements 	<ol style="list-style-type: none"> 1. Charge the right prices for curb parking 2. Limit off-street parking to road capacity 3. Require the unbundling of parking costs

Bicycling & walking

Low ←————→ **High**

Housing costs

High ←————→ **Low**

Traffic

High ←————→ **Low**

Pollution

High ←————→ **Low**

S. Hayward Parking Reforms established

1. Charge **non-residents** the right prices for curbside parking near BART
2. Return the revenue to the neighborhood to pay for public services
3. Residential permit district allows **existing residents** park for a nominal fee
4. Removed almost all minimum parking requirements, established maximums near BART



South Hayward BART Commuter Parking Lots (10+ acres)



New homes replace South Hayward BART Commuter Lot

- Alta Mira: 150 affordable homes for families & seniors, 1.44 acres
- Cadence: 206 market-rate 1 & 2 BR apartments, 2.9 acres
- Zero parking spaces required by code



Photo: Eden Housing



Definition: *Minimum parking requirements* are government regulations that specify the *minimum* number of parking spaces that must be provided for every land use.

They ensure that cities have *more parking spaces* than individuals would voluntarily supply.

Dana Point, CA, requires 4 spaces per 1000 square feet of built space for “multi-tenant general retail”

1.3 sq. ft. of asphalt per sq. ft. of building space

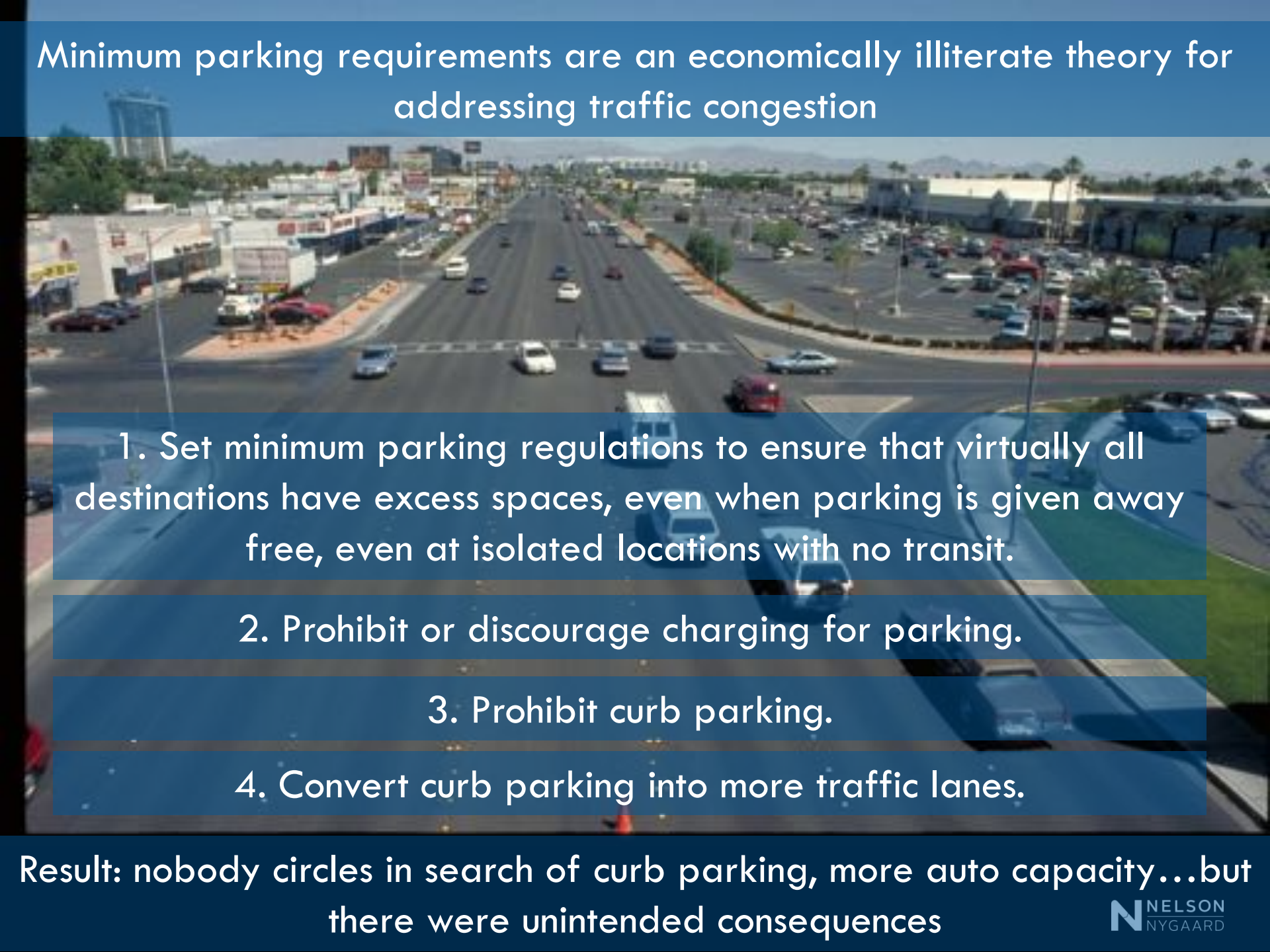
What is the *purpose* of minimum parking requirements?



According to the zoning codes:

- *Palo Alto: “to alleviate traffic congestion”*
- *Hayward: “to relieve congestion on streets”*
- *Milpitas: “to relieve congestion on streets”*
- *Napa: “to reduce street congestion”*
- *San Diego: “to reduce traffic congestion & improve air quality”*
- *Generally, to prevent spillover parking problems*

Minimum parking requirements are an economically illiterate theory for addressing traffic congestion

- 
1. Set minimum parking regulations to ensure that virtually all destinations have excess spaces, even when parking is given away free, even at isolated locations with no transit.
 2. Prohibit or discourage charging for parking.
 3. Prohibit curb parking.
 4. Convert curb parking into more traffic lanes.

Result: nobody circles in search of curb parking, more auto capacity...but there were unintended consequences


Typical Minimum Parking Requirements (Milpitas, CA)

Research & Development: 3.33 spaces
/ 1000 square feet of built space

High-speed arterial

Hotel: 1 space / room + 2 for
manager's unit

Retail: 5 spaces / 1000 square
feet of built space



There's a light rail station just beyond the left edge of this photo.

...It's one of the worst-performing light rail systems in North America.

...And the nearby freeway is one of the most congested.

...And the Milpitas citywide bicycle commute mode share is just 0.4%.

Research & Development: 3.33 spaces / 1000 square feet of built space

Hotel: 1 space / room + 2 for manager's unit

Retail: 5 spaces / 1000 square feet of built space

Unintended consequences: less housing, more expensive housing & lower land values

1961: Oakland's first parking requirement

- One space per unit for apartments
- Construction cost increased 18% per unit
- Units per acre decreased by 30%
- Land value fell 33%



CALIFORNIA'S AB744, SB35 & SB827

California's statewide parking reform laws (selected examples)

Enacted

AB 744

SB 35

Proposed

SB 827

AB 744 – State law regarding parking requirements

Signed into law on October 9, 2015

Effective January 1, 2016

Sources for all AB 744 slides:

Assembly Bill No. 744. https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201520160AB744

Meea Kang, Domus Development, *TOD and Parking: Matching the Requirements to the Neighborhood in California*.
<https://www.slideshare.net/railvolution/tod-and-parking-matching-the-requirements-to-the-neighborhood-by-meea-kang>

AB 744

- **On January 1, 2016, developments containing affordable housing and located near transit became entitled to greatly reduced parking requirements in most California communities.**
- AB 744, an amendment to California's density bonus law (Government Code Section 65915) provides that, if requested by the developer, no city, county, or city and county may *require* more parking than allowed by the statute unless the local agency has completed its own parking study meeting specific standards.

AB 744 Legislative findings

In adopting the bill, the legislature found:

- Car ownership increases vehicle miles traveled and greenhouse gas emissions;
- The cost of parking makes housing less affordable and more difficult to build;
- The high cost of land required to provide parking significantly increases the cost of transit-oriented development.

Consequently, the bill limits parking requirements for developments containing affordable housing and located near transit.

AB 744

Housing Located Near Major Transit Stops. A housing development cannot be *required* to provide more than **0.5 parking spaces per bedroom** if it:

- Includes either 11% very low income units or 20% low income units; *and*
- Is within 1/2 mile of a “major transit stop;” *and*
- Has “unobstructed access” to the transit stop.

Affordable Housing. Any *rental* housing development that is 100% affordable to lower income households, excluding a manager's unit, cannot be required to provide more than **0.5 parking spaces per unit** if it:

- Is a **TOD** within one-half mile of a major transit stop and has unobstructed access to the transit stop; **or**
- Is a **senior housing development** and has either paratransit service or unobstructed access to, and is within ½ mile of, a fixed bus route that operates at least 8 times per day.

AB 744 – Applicability to the Downtown Parking Study Area

- Santa Cruz Metro Center is a “major transit stop”
- All parcels in study area are within ½ mile of Metro Center
- All parcels in study area have “unobstructed access” to Metro Center.

Therefore:

- **All housing developments** within the study area that include either 11% very low income units or 20% low income units cannot be *required* to provide more than **0.5 parking spaces per bedroom**.
- **Any rental housing development that is 100% affordable** to lower income households, excluding a manager’s unit, within the study area cannot be required to provide more than **0.5 parking spaces per unit**

AB 744 – Special needs housing

Special Needs Housing. Any *rental special needs* housing development that is 100% affordable to lower income households, excluding a manager's unit, cannot be required to provide more than 0.3 parking spaces per *unit* if it:

- It has access to paratransit service or unobstructed access to, and is within 1/2 mile of, a fixed bus route that operates at least 8 times per day.

“Special needs housing” is any housing designed to serve persons with needs related to mental health, physical or development disabilities, or risk of homelessness. (Health & Safety Code Section 51312.)

AB 744 – Local parking studies

Communities may require more parking *only if* they have a study in the last 7 years that includes:

- An analysis of available parking;
- Differing levels of transit access;
- Walkability to transit;
- Potential for shared parking;
- Effect of parking requirements on housing costs; and car ownership rates for lower income households, seniors, and residents with special needs.

However, the *most* parking that may be required is that allowed by Section 65915(p)(1) of the density bonus law:

- 1 space for studio and one-bedroom units;
- 2 spaces for two- to three-bedroom units; and
- 2 and ½ spaces for units with four or more bedrooms.

SB 35 – State law affecting parking requirements

Signed into law on September 29, 2017

Effective January 1, 2018

SB 35

- SB 35, an amendment to California's housing laws (Government Code Sections 65400, 65582.1 & 65913.4) “would authorize a development proponent to submit an application for a multifamily housing development...that is subject to a streamlined, ministerial approval process...and not subject to a conditional use permit.”
- SB 35 “would limit the authority of a local government to impose parking standards or requirements on a streamlined development”

SB 35 – Parking requirements for streamlined developments

(d) (1) Notwithstanding any other law, a local government...**shall not impose parking standards for a streamlined development** that was approved pursuant to this section **in any of the following instances:**

(A) The development is **located within one-half mile of public transit.**

(B) The development is located within an architecturally and historically significant historic district.

(C) When on-street parking permits are required but not offered to the occupants of the development.

(D) **When there is a car share vehicle located within one block of the development.**

(2) If the development does not fall within any of the categories described in paragraph (1), the local government shall not impose parking requirements for streamlined developments approved pursuant to this section that **exceed one parking space per unit.**

SB 35 – Streamlined approval process requirements

“(a) A development proponent may submit an application for a development that is subject to the streamlined, ministerial approval process...and not subject to a conditional use permit if the development satisfies all of the following...:

(1) The development is a multifamily housing development that contains two or more residential units.

(2) The development is located on a site that satisfies all of the following:

...(C) A site that is zoned for residential use or residential mixed-use development, or has a general plan designation that allows residential use or a mix of residential and nonresidential uses, with at least two-thirds of the square footage of the development designated for residential use.

SB 35 – Streamlined approval process requirements

(4)...(B) The development is subject to a requirement mandating a minimum percentage of below market rate housing based on one of the following:

(i)...if the project contains more than 10 units of housing, the project seeking approval dedicates a minimum of 10% of the total number of units to housing affordable to households making below 80 percent of the area median income. If the locality has adopted a local ordinance that requires that greater than 10 percent of the units be dedicated to housing affordable to households making below 80% of the area median income, that zoning ordinance applies.

(ii) [The locality's] production report reflects that there were fewer units of housing affordable to households making below 80% of the area median income that were issued building permits than were required for the regional housing needs assessment cycle for that reporting period, and the project seeking approval dedicates 50% of the total number of units to housing affordable to households making below 80% of the area median income, unless the locality has adopted a local ordinance that requires that greater than 50% of the units be dedicated to housing affordable to households making below 80% of the area median income, in which case that ordinance applies.

(iii) [The locality's] production report reflects that there were fewer units of housing affordable to any income level described in clause (i) or (ii) that were issued building permits than were required for the regional housing needs assessment cycle for that reporting period, the project seeking approval may choose between utilizing clause (i) or (ii).

SB 35 – Streamlined approval process requirements

(8) ...(A)...(ii) If the development is not in its entirety a public work, that all construction workers employed...will be paid at least the general prevailing rate of per diem wages

Exception:

(8)...(C)...(i) The project includes 10 or fewer units.

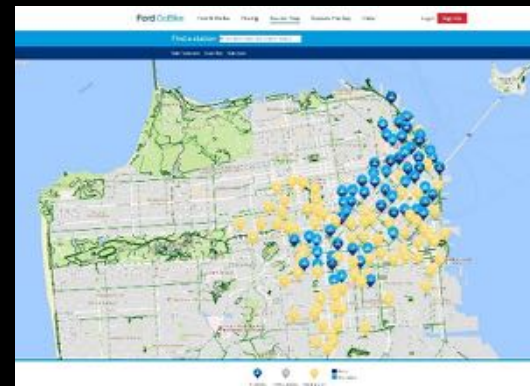
REMOVING MINIMUM PARKING REQUIREMENTS SPARKS INNOVATION

Removing Minimum Parking Requirements Sparks Innovation



Ford GoBike bike sharing
7000+ bicycles in SF Bay Area

Source: Ford GoBike



Removing Minimum Parking Requirements Sparks Innovation

JUMP dockless electric
bike sharing



Removing Minimum Parking Requirements Sparks Innovation



Scoot electric scooter sharing

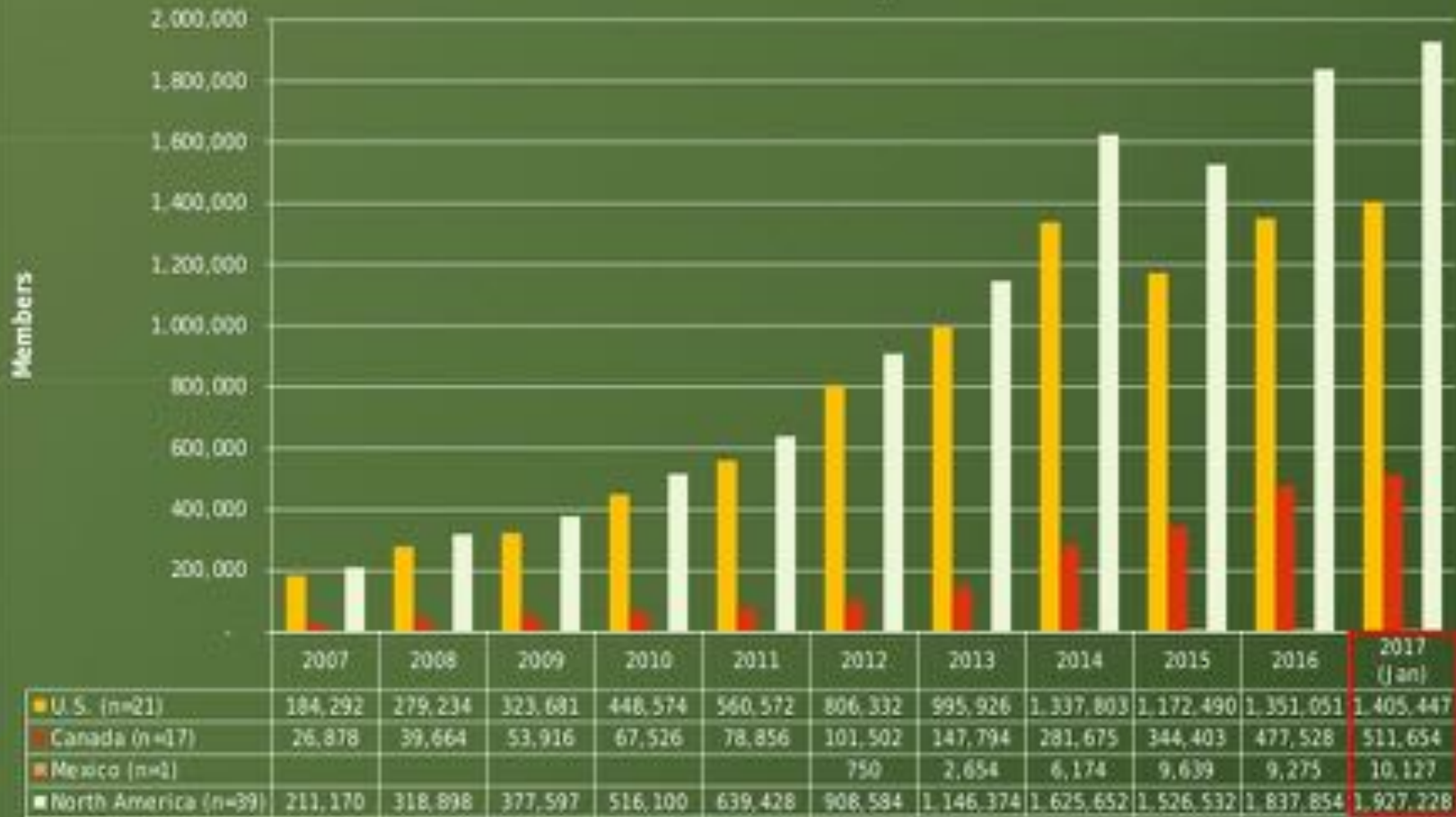
Removing Minimum Parking Requirements Helps Spark Carsharing



Source: Martin, Shaheen, Lidicker, 2010 <https://www.slideshare.net/susanshaheen/carsharing-trends-and-research-highlights>

Removing Minimum Parking Requirements Helps Spark Carsharing

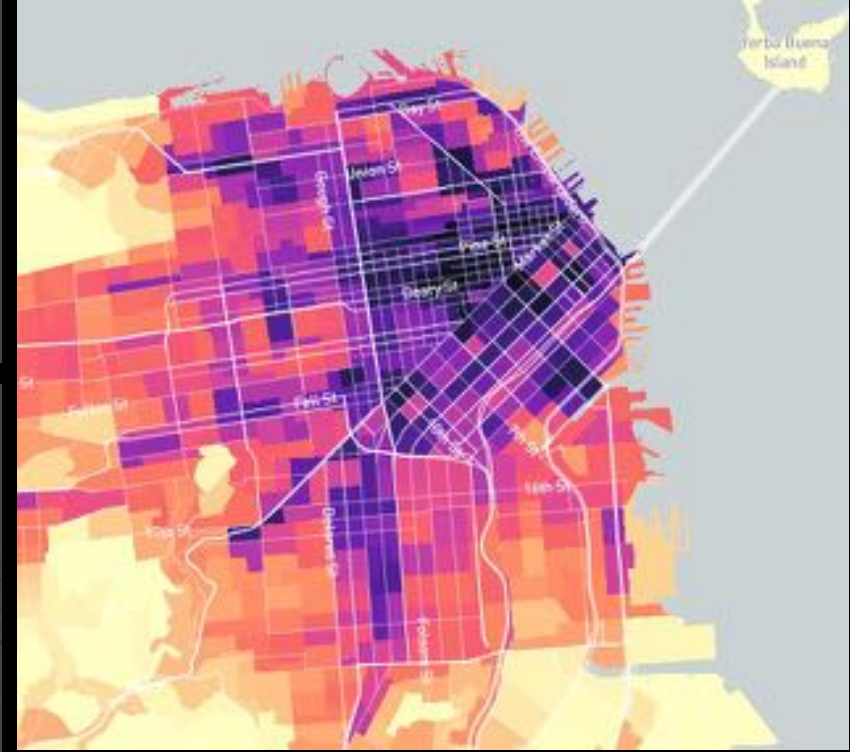
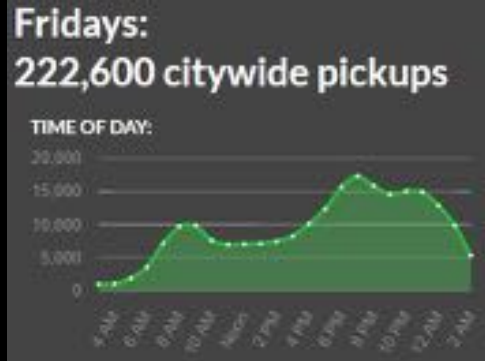
North American Membership Growth



(Shaheen and Cohen 2017)

Removing Minimum Parking Requirements Sparks Innovation

RIDE HAIL: 15% of all intra-San Francisco vehicle trips



Source: <http://tncstoday.sfcta.org/>

TRENDS: THE FUTURE WITH AUTONOMOUS VEHICLES



Image Source: Waymo

Image Source: New York Times

Source: <https://mcity.umich.edu/driverless-shuttle-service-coming-u-ms-north-campus/>

“MOBILITY AS A SERVICE” MODEL



Massive decline in parking
demand

TRADITIONAL CAR OWNERSHIP MODEL



Right Image Source: Michigan Radio

Less dramatic decrease in
parking demand
Relocation or densification?

Now that ride hailing services and autonomous vehicles are here, what will happen to parking demand?

EFFECT ON PARKING DEMAND?

Source	Estimate
Academic: Zhang et al	~90% reduction 50% of fleet shared
OECD International Transport Forum	80% reduction 100% of fleet shared
Academic: Kockelman	Each shared AV replaces 12 private vehicles
McKinsey	5.7 billion square meter reduction in parking



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