

# Parking Minimums & Development

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New Partners for Smart Growth  
Mott Smith



Civic Enterprise Development LLC

# Parking, through a developer's eyes:

1. Cost
2. Potential revenue
3. Major design constraint
4. "Plan Check Pinto"

# Cost.

## Construction costs:

- \$6,000/surface space
- \$15,000-25,000/structure space
- \$30,000-60,000/underground space
- ***But beware of Excel-driven mistakes.***



<http://www.workthething.com/?p=241>



<http://beerstreetjournal.com/new-in-bottle-dogfish-head-chicory-stout/>

**Urban parking  
generally comes by  
the case.**

**(So *reduced* parking  
minimums may or  
may not matter at  
all.)**



# More parking generally means higher prices.

“The analysis revealed that single family houses and condominiums were more than **10% more costly if they included off-street parking.**” – *Jia and Wachs, UC Berkeley, 1998*

“...**one parking space** per unit **increases costs** by about **12.5%**, and **two parking spaces** increase costs by about **25%.**” – *Litman, VTPI, 2011*

“An apartment with bundled parking is associated with **\$200 more in asking rent**, and bundled parking with a condo is associated with a **\$43,000 increasing in asking price.**” – *Manville, Cornell, 2013*

**Parking minimums filter out walkable design  
and force lot assembly.**

**Class 7. Bar or Restaurant:**

- |  |  |
|--|--|
| a. Restaurant (including outdoor decks, patio and/or seating areas)          | 8.0 spaces for every 1,000 square feet of GFA and outdoor decks, patio and/or seating areas in excess of 15% of gross floor area |
| b. Bar, club or lounge (including outdoor decks, patio and/or seating areas) | 10.0 spaces for every 1,000 square feet of GFA and outdoor decks, patio and/or seating areas                                     |

**Class 8. Retail Services:**

- |   |  |
|---|--|
| a. Supermarket or convenience market            | 5.0 space for every 1,000 square feet of GFA                       |
| b. Clothing store                               | 4.0 spaces for every 1,000 square feet of GFA                      |
| c. Furniture store                              | 2.0 spaces for every 1,000 square feet of GFA                      |
| d. Retail store (freestanding)                  | 4.0 spaces for every 1,000 square feet of GFA                      |
| e. Building materials or home improvement store | 4.0 spaces for every 1,000 square feet of GFA of retail sales area |



**Class 7. Bar or Restaurant:**

- a. Restaurant (including outdoor decks, patio and/or seating areas)
- b. Bar, club or lounge (including outdoor decks, patio and/or seating areas)

8.0 spaces for every 1,000 square feet of GFA and outdoor decks, patio and/or seating areas in excess of 15% of gross floor area

10.0 spaces for every 1,000 square feet of GFA and outdoor decks, patio and/or seating areas

**Class 8. Retail Services:**

- a. Supermarket or convenience market
- b. Clothing store
- c. Furniture store
- d. Retail store (freestanding)
- e. Building materials or home improvement store

5.0 space for every 1,000 square feet of GFA

4.0 spaces for every 1,000 square feet of GFA

2.0 spaces for every 1,000 square feet of GFA

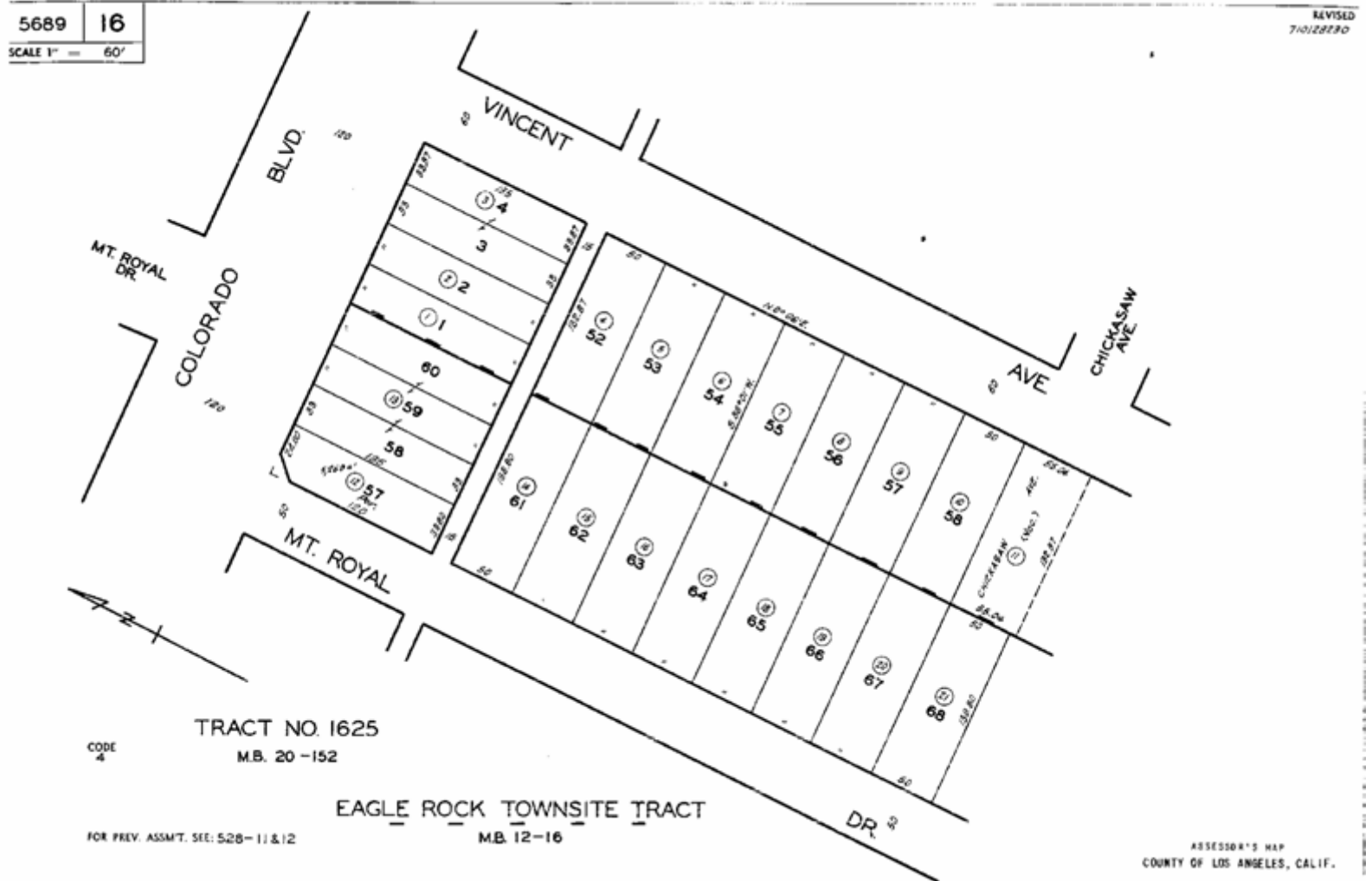
4.0 spaces for every 1,000 square feet of GFA

4.0 spaces for every 1,000 square feet of GFA of

Retail sales area

# Typical Commercial Blvd. Parcels

County of Los Angeles: Rick Auerbach, Assessor



# Typical Commercial Lot:

7,500 sq. ft.

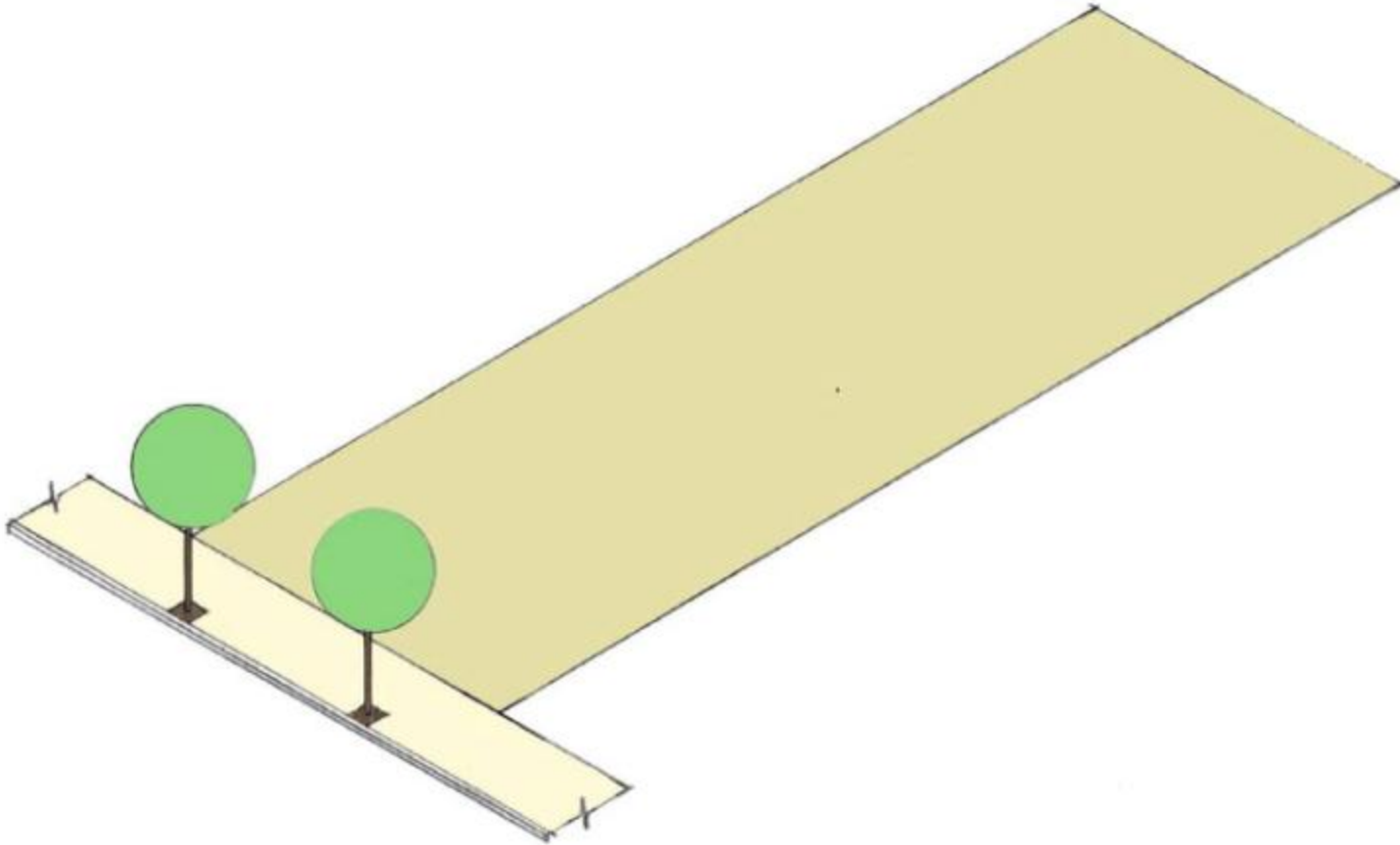
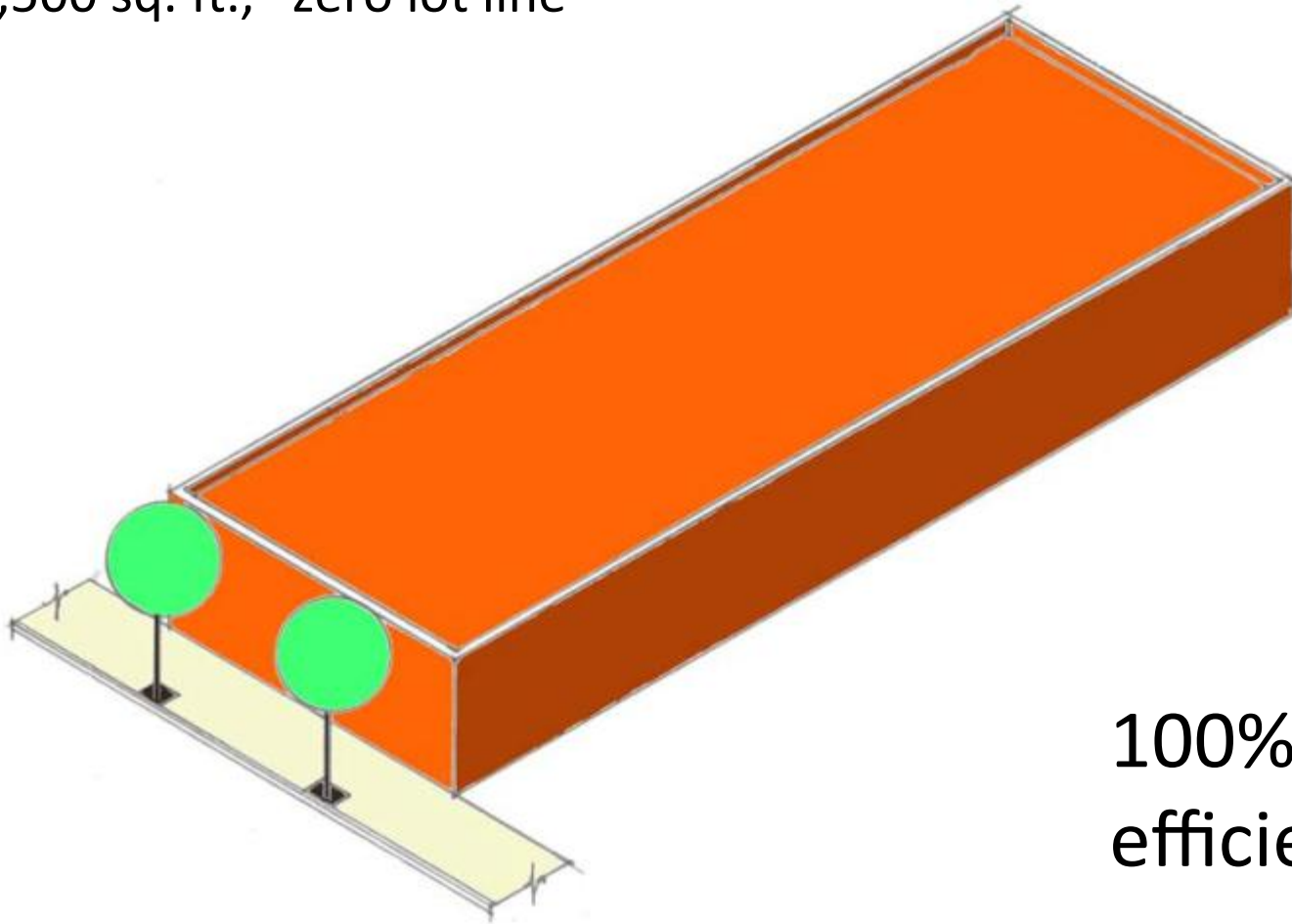


Illustration: MDA Johnson Favaro Architecture & Urban Design

## Typical Pre-WWII Building: Great Infill!

7,500 sq. ft., “zero lot line”

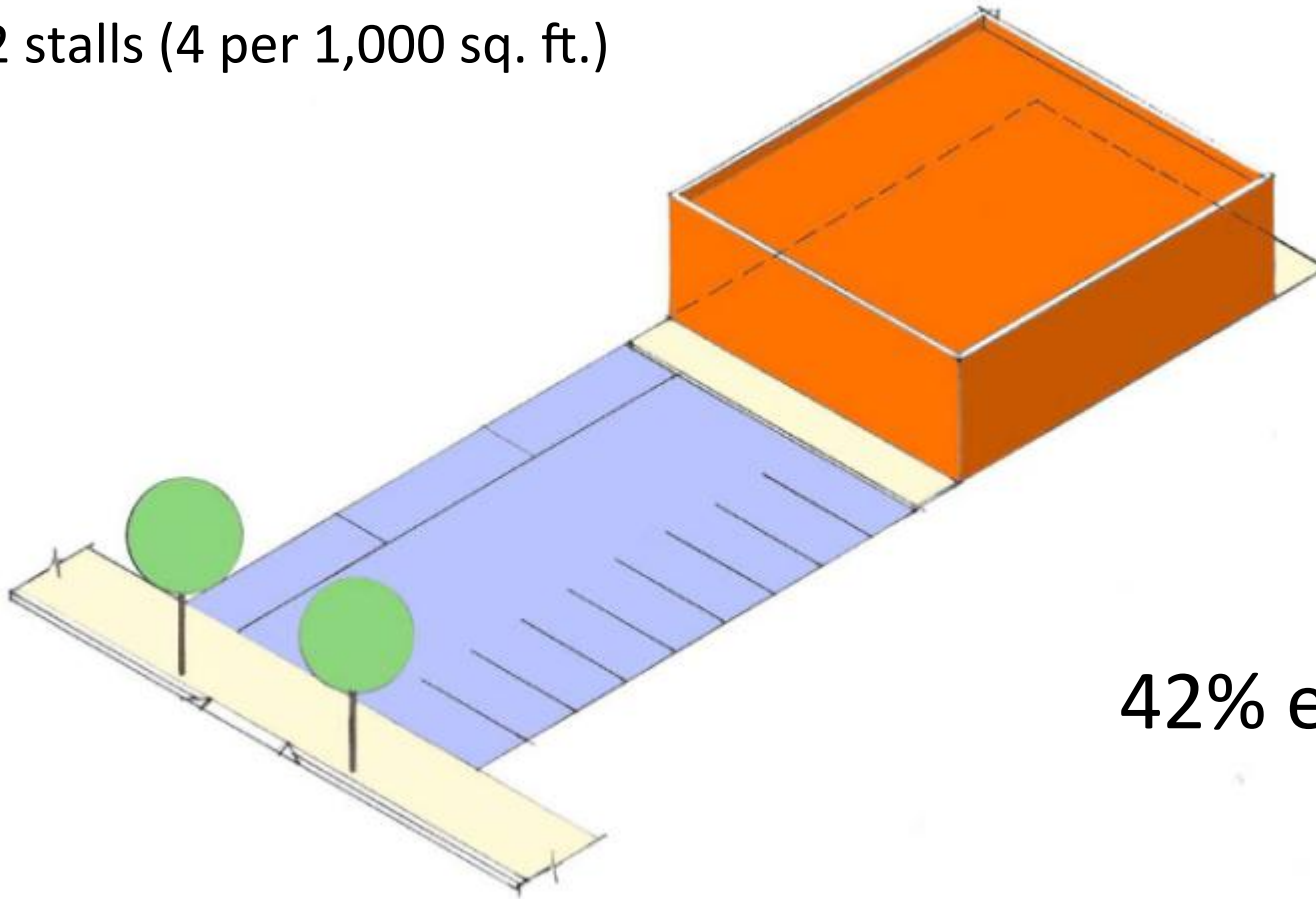


100%  
efficiency

“By-Right” Retail Building:

3,125 sq. ft. (improvements)

12 stalls (4 per 1,000 sq. ft.)

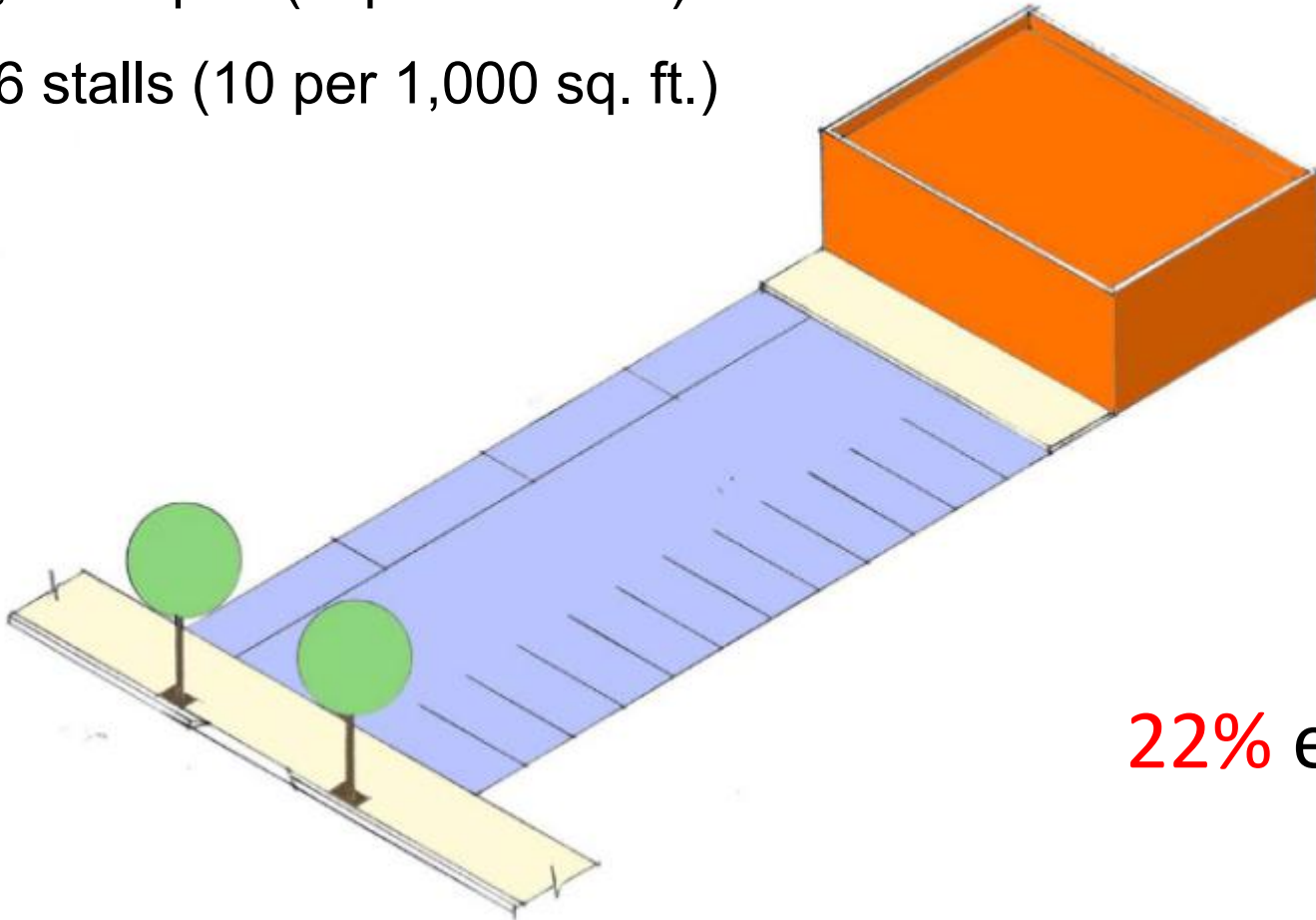


42% efficiency

## “By-Right” Restaurant Building:

1,665 sq. ft. (improvements)

16 stalls (10 per 1,000 sq. ft.)



**22%** efficiency



Convenience Store



Strip Mall



Auto Service



Drug Store



Convenience Store



Strip Mall



Auto Service



Drug Store





Old Town Pasadena Street Scene, [www.railroadarchive.net/IA00\\_goldline.html](http://www.railroadarchive.net/IA00_goldline.html)



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# “Process Pinto”



<http://cdn1.blog.powerblocktv.com/wp-content/uploads/2012/09/23.jpg>



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5.0 space for every 1,000 square feet of GFA

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Retail sales area

## DEPARTMENT OF WATER AND POWER

9. Satisfactory arrangements shall be made with the Los Angeles Department of Water and Power (LADWP) for compliance with LADWP's Water System Rules and requirements. Upon compliance with these conditions and requirements, LADWP's Water Services Organization will forward the necessary clearances to the Bureau of Engineering. (This condition shall be deemed cleared at the time the City Engineer clears Condition No. S-1.(c).)



**New  
Transformer  
Pad  
= 10 spaces lost**



<http://images2.villagevoice.com/imager/u/original/6665382/sanbrunoexplosion.jpg>

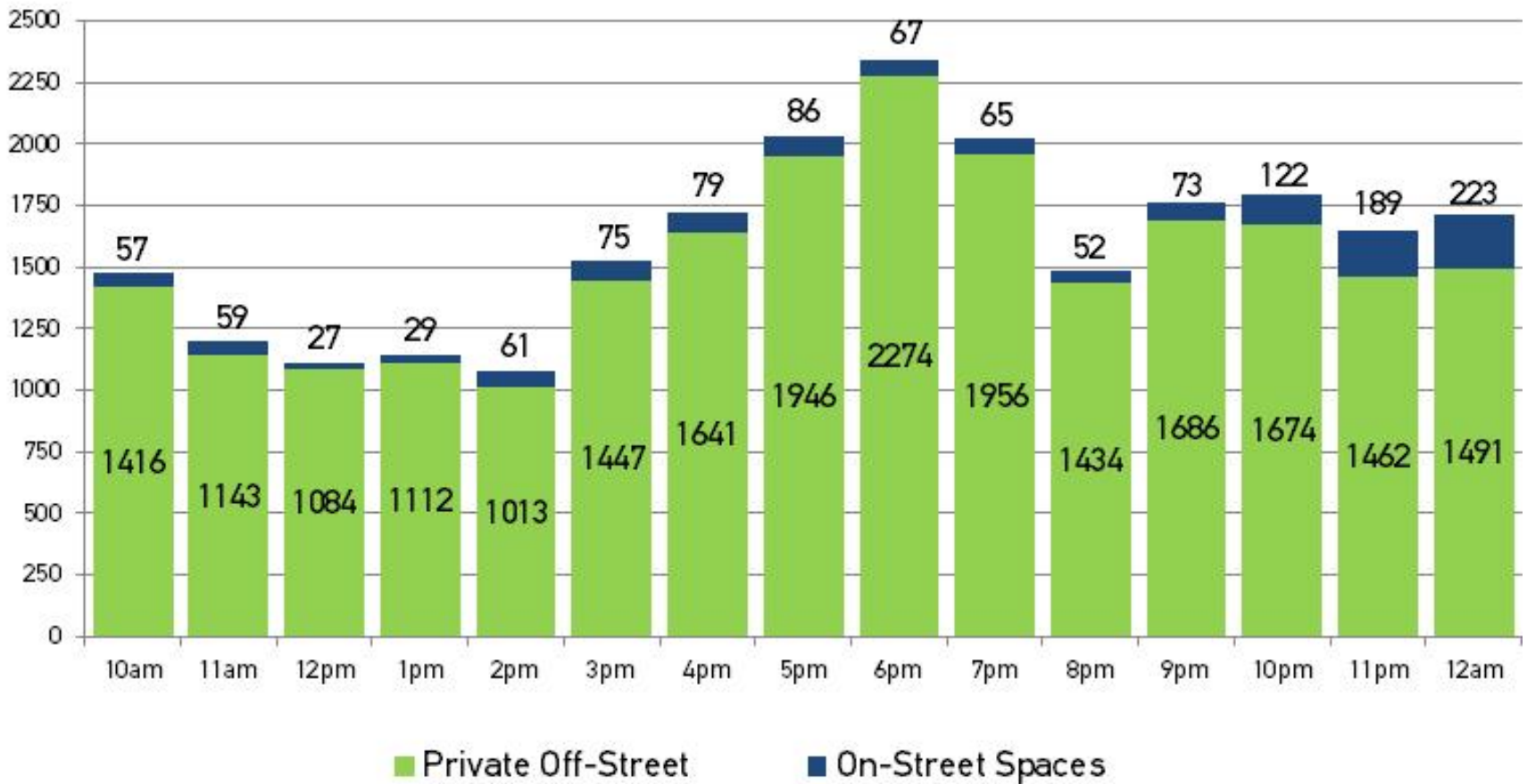


**Worse, parking minimums don't work.**

**They don't help "spillover."**

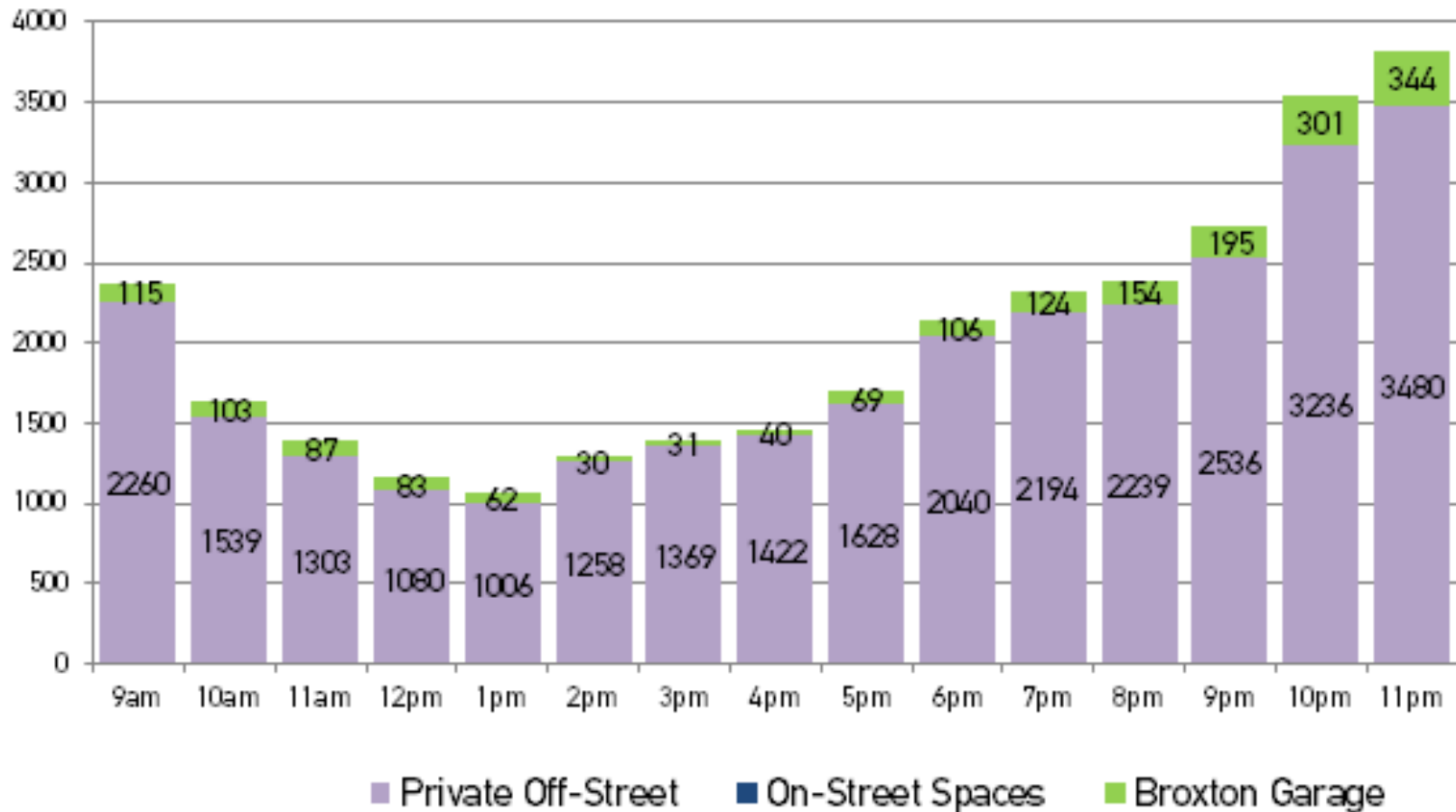
# San Vicente/Brentwood

## Number of Vacant Parking Spaces Weekday



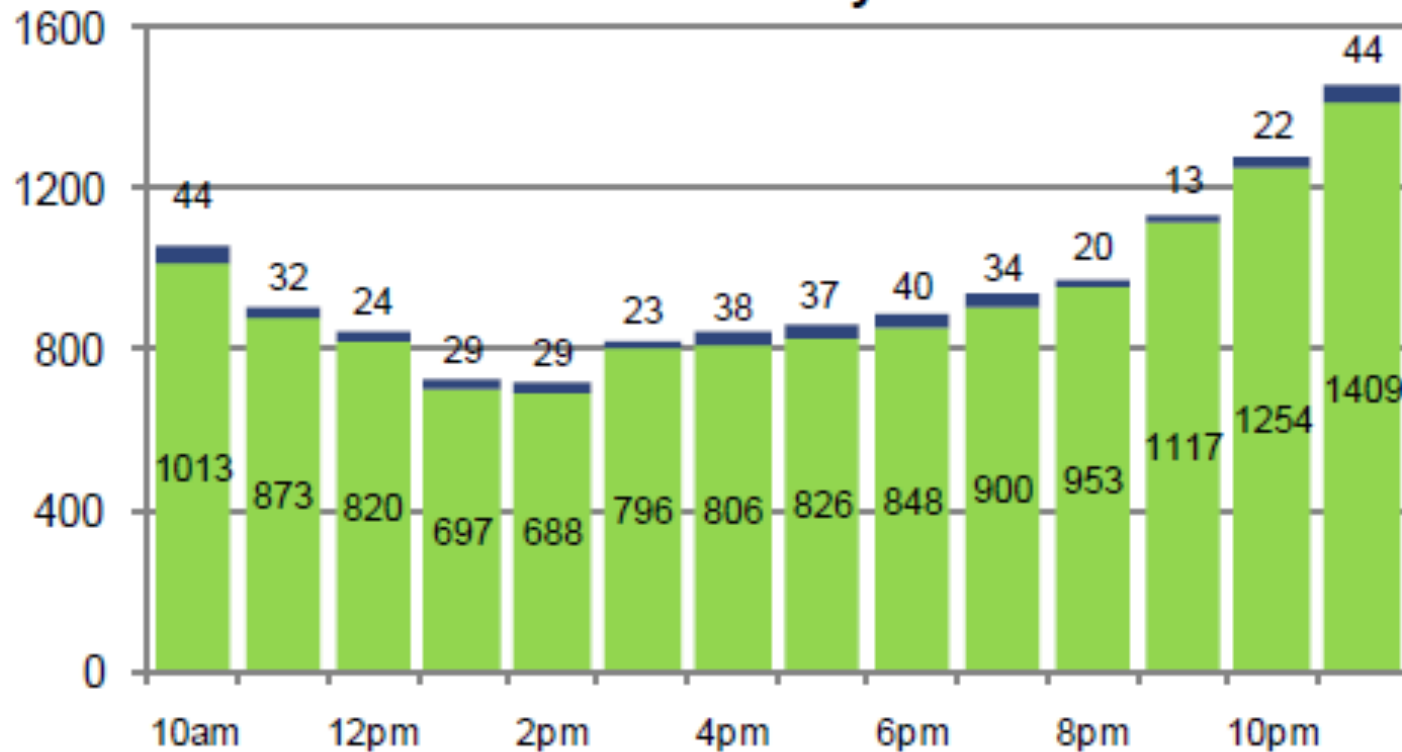
# Westwood Village

## Number of Vacant Parking Spaces Weekday



# Sunset Strip (west)

Number of Vacant Spaces  
Weekday



**They filter out lower-priced housing.**

“The analysis revealed that single family houses and condominiums were more than **10% more costly if they included off-street parking.**” – *Jia and Wachs, UC Berkeley, 1998*

“...**one parking space** per unit **increases costs** by about **12.5%**, and **two parking spaces** increase costs by about **25%.**” – *Litman, VTPI, 2011*

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What is keeping cities from eliminating destructive parking minimums?



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3. **Politics.** Local electeds are wary of offending NIMBY constituents.

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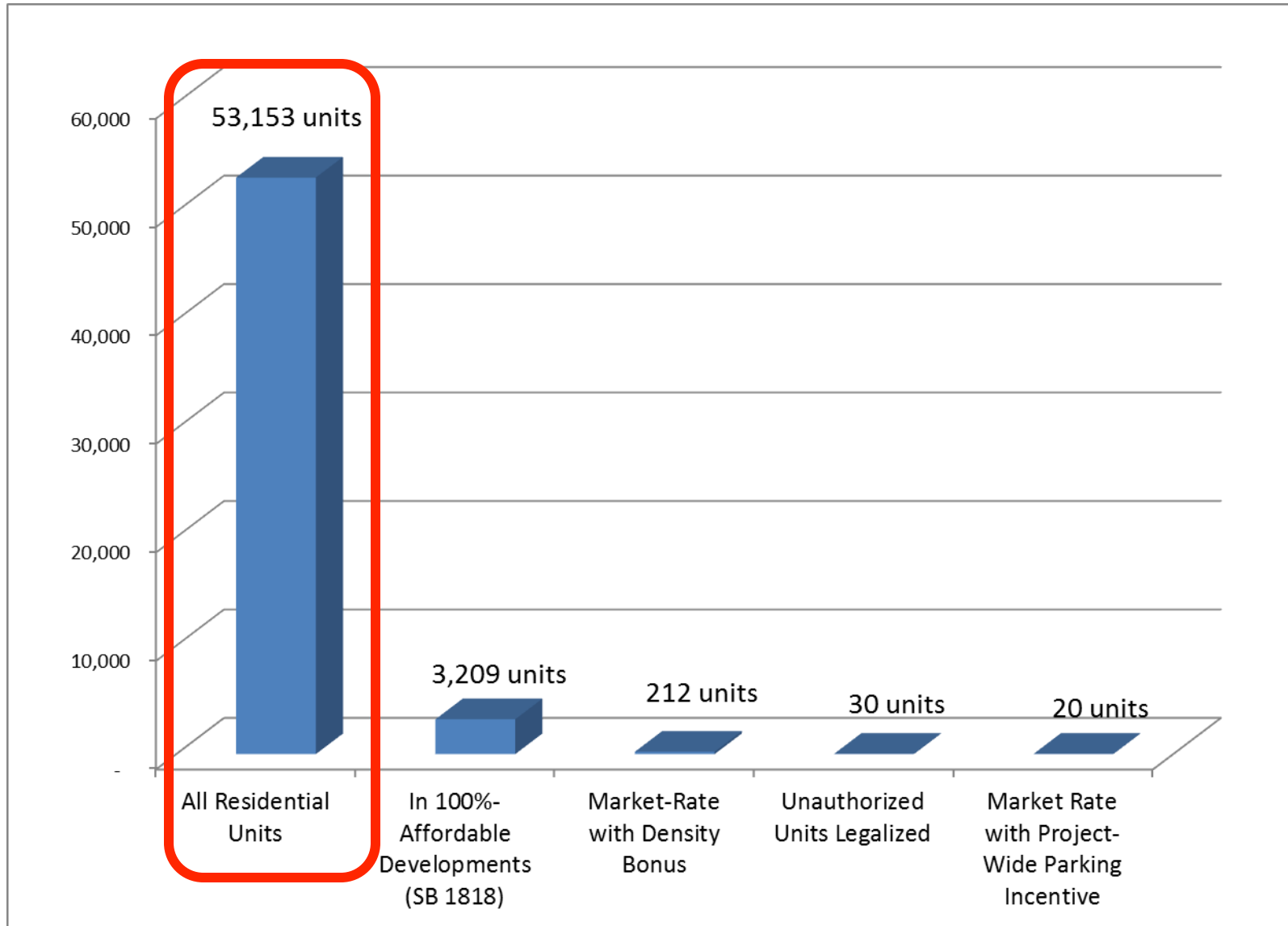
1. In some cases, nothing.
2. Money. \$250,000 - 500,000 (est.) per district.
3. Politics. Local electeds are wary of offending NIMBY constituents.
4. **Fear of losing control of land-use.** Some people hope negotiating with developers over parking requirements leads to good outcomes

# Affordable Units in Density Bonus Projects, City of L.A., 2005-2010



Sources: L.A. Housing Dept., L.A. Dept. of Building & Safety, SCAG

# All Housing Production, City of L.A., 2005-2010



Sources: L.A. Housing Dept., L.A. Dept. of Building & Safety, SCAG

1 JOHN B. MURDOCK (SBN48384)  
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4 SANTA MONICA, CA 90405  
5 TEL: (310) 450-1859  
6 FAX: (310) 450-9818

7  
8  
9 Attorney for Petitioner,  
10 BEVERLY WILSHIRE HOMES ASSOCIATION

CONFIRMED COPY  
ORIGINAL FILED  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF LOS ANGELES

NOV 12 2010

John A. Clarke, Executive Officer/Clerk  
BY  Deputy  
Henry Alvarez

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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

BS128935

BEVERLY WILSHIRE HOMES  
ASSOCIATION,

Petitioner,

vs.

Case No.

PETITION FOR WRIT OF MANDATE  
AND INJUNCTIVE RELIEF  
[CCP 1094.5, 1085, 1086, 526]

THE CITY OF LOS ANGELES; THE CITY  
COUNCIL OF THE CITY OF LOS ANGELES;  
CENTRAL AREA PLANNING COMMISSION  
OF THE CITY OF LOS ANGELES; MICHAEL  
J. LOGRANDE, DIRECTOR, CITY PLANNING  
DEPARTMENT; THE SUPERINTENDENT  
OF BUILDING OF THE CITY OF LOS  
ANGELES; and DOES 1 through 10,

# **Putting it all together: Development Scenario**



DEVELOPMENT SITE  
24,000 SF

Zoning: 80 du/ac

Site: 24,000 SF

Units allowed by zoning: 45

Parking req./unit: 2 spaces

Net revenues per unit: \$75,000  
(Sales price – non-parking construction costs)

**How many units will  
a developer build?**

# Simple Math

Net Revenues/Unit	75,000
Parking Cost/Unit	(30,000)
<b>Profit/Unit</b>	<b>45,000</b>

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**Implication: Developers will build as much as they can: 45 units.**

# Simple Math

Net Revenues/Unit	75,000
Parking Cost/Unit	(30,000)
<b>Profit/Unit</b>	<b>45,000</b>

**Implication: Developers will build as much as they can: 45 units.**

**This is wrong.**



Site: 24,000 SF

Units allowed by zoning: 45

Parking req./unit: 2 spaces

Net revenues per unit: \$75,000

(Sales price – non-parking construction costs)

**How many units will  
a developer build?**

60 spaces per level

Cost per level = \$1,800,000

### Scenario 1

Units	30
Net revenues/unit	75,000
<b>Total Net Revenues</b>	<b>\$ 2,250,000</b>
Space required/unit	2.0
Total spaces required	60
Spaces/Level	60
Parking levels	1
Cost/level	(1,800,000)
<b>Total Parking Costs</b>	<b>(1,800,000)</b>
<b>PROFIT</b>	<b>\$ 450,000</b>

### Scenario 1

Units	30
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Net revenues/unit	75,000
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<b>Total Net Revenues</b>	<b>\$ 2,250,000</b>
---------------------------	---------------------

Space required/unit	2.0
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Total spaces required	60
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Spaces/Level	60
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Parking levels	1
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Cost/level	(1,800,000)
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<b>Total Parking Costs</b>	<b>(1,800,000)</b>
----------------------------	--------------------

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<b>Total Parking Costs</b>	<b>(1,800,000)</b>
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Scenario 2

Units	45
Net revenues/unit	75,000
<b>Total Net Revenues</b>	<b>\$ 3,375,000</b>
Space required/unit	2.0
Total spaces required	90
Spaces/Level	60
Parking levels	2
Cost/level	(1,800,000)
<b>Total Parking Costs</b>	<b>(3,600,000)</b>
<b>PROFIT</b>	<b>\$ (225,000)</b>



Scenario 1

Units	30
Net revenues/unit	75,000
<b>Total Net Revenues</b>	<b>\$ 2,250,000</b>
Space required/unit	2.0
Total spaces required	60
Spaces/Level	60
Parking levels	1
Cost/level	(1,800,000)
<b>Total Parking Costs</b>	<b>(1,800,000)</b>
<b>PROFIT</b>	<b>\$ 450,000</b>

Scenario 2

Units	45
Net revenues/unit	75,000
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Space required/unit	2.0
Total spaces required	90
Spaces/Level	60
Parking levels	2
Cost/level	(1,800,000)
<b>Total Parking Costs</b>	<b>(3,600,000)</b>
<b>PROFIT</b>	<b>\$ (225,000)</b>

Now what do you think the  
developer will do?

### Scenario 3: Variance!

Units	60
Net revenues/unit	75,000
<b>Total Net Revenues</b>	<b>\$ 4,500,000</b>
Space required/unit	2.0
Total spaces required	120
Spaces/Level	60
Parking levels	2
Cost/level	(1,800,000)
<b>Total Parking Costs</b>	<b>(3,600,000)</b>
<b>PROFIT</b>	<b>\$ 900,000</b>

### Scenario 3: Variance!

Units	60
Net revenues/unit	75,000
<b>Total Net Revenues</b>	<b>\$ 4,500,000</b>
Space required/unit	2.0
Total spaces required	120
Spaces/Level	60
Parking levels	2
Cost/level	(1,800,000)
<b>Total Parking Costs</b>	<b>(3,600,000)</b>
<b>PROFIT</b>	<b>\$ 900,000</b>

# TRANSPORTATION

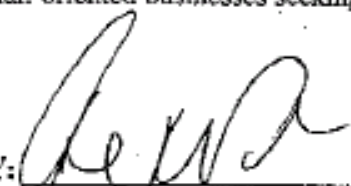
## MOTION

The Eagle Rock area of Los Angeles is an older community with pedestrian-scaled commercial businesses located along Colorado Boulevard and Eagle Rock Boulevard. These businesses are often located in buildings that were built before the establishment of current City parking requirements. Efforts to retain and enhance the pedestrian-oriented character of the commercial area has been difficult when current parking requirements do not fit with the community's goals.

Without these efforts it is difficult to retain and enhance the pedestrian-oriented character of the commercial area. Therefore, the City should explore the possibility of implementing a Community Parking Pilot Project to examine parking options that attract the types of businesses that are desired by the Eagle Rock business and residential communities. The pilot project should be designed to protect and enhance the pedestrian character of the commercial streets in the Colorado Specific Plan Area, as well as the character of the adjacent residential neighborhoods.

**I THEREFORE MOVE** that the City Council direct the Department of Transportation, in coordination with the Department of City Planning, to develop a Community Parking Pilot Project consistent with the Colorado Boulevard Specific Plan that will provide parking options to enhance the pedestrian-oriented businesses seeking to locate in that area.

PRESENTED BY:



Antonio Villaraigosa  
Councilmember, 14<sup>th</sup> District

SECONDED BY:



# **Successful Change**



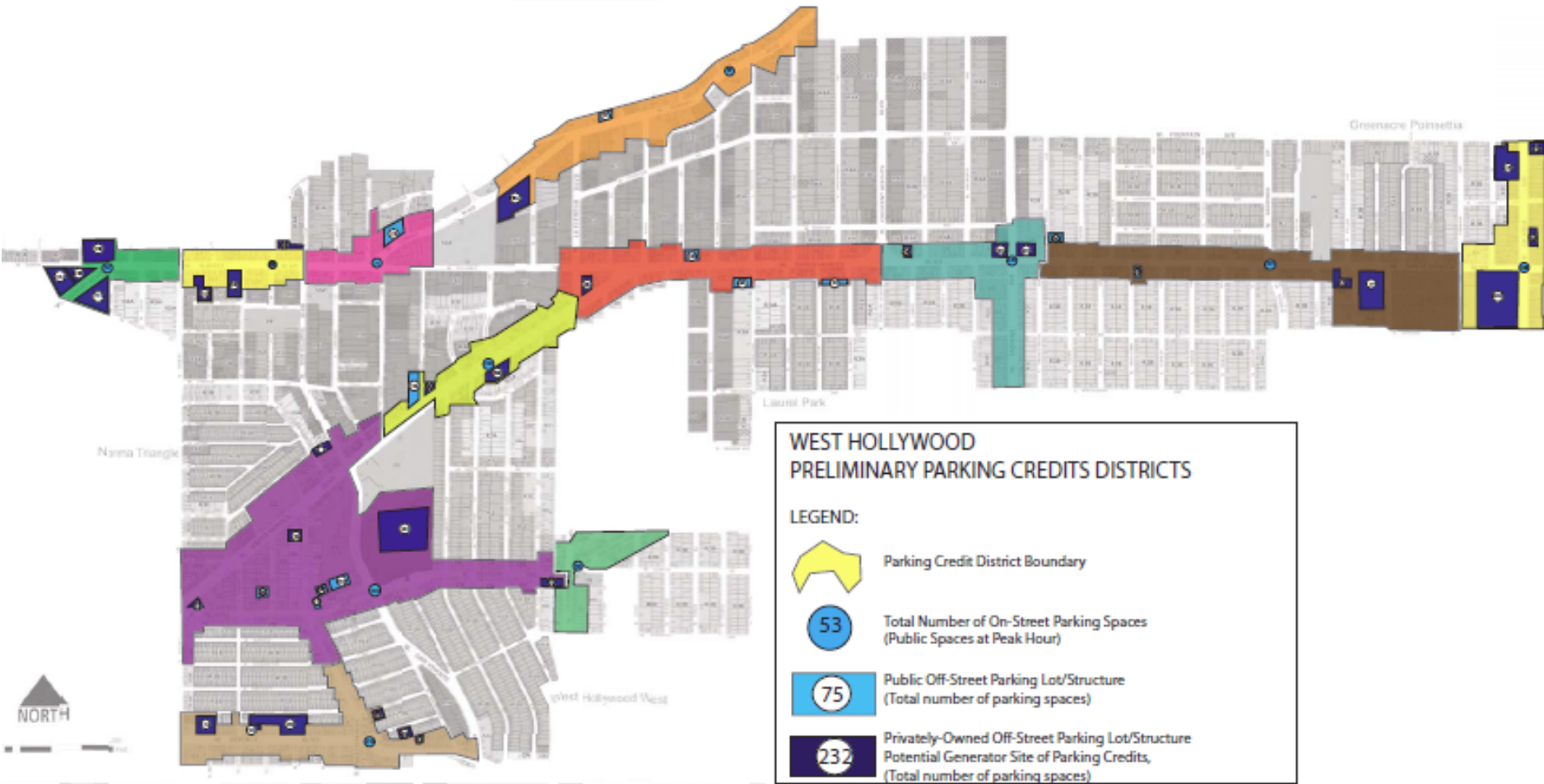
# A few examples of over-the-counter approvals in Eagle Rock

A screenshot of the Four Cafe website. The logo features the text "FOUR CAFE" with green leaf graphics. Three images show a bowl of soup, a bowl of salad, and a burger. The navigation menu includes "Menu", "Breakfast", "Location", "About Us", "Order Online", and "Catering". Contact information is provided: "323-550-1988", "2122 1/2 Colorado Blvd. Eagle Rock CA 90041", and "info@fourcafe.net".

Day	Hours
Monday - Friday	11am - 9pm
Saturday	9am - 9pm
Breakfast	9am - 12pm
Sunday	9am - 9pm
Breakfast	9am - 12pm

**Farm To Table Saturday Night Dinners To Start Soon!!!!**

# City of West Hollywood Implements Parking Credits Citywide 5/2012







City of Sacramento

## ZONING CODE PARKING UPDATE

Draft Report

May 2012



[http://www.sacgp.org/  
ZoningCodeParkingUpdate.html](http://www.sacgp.org/ZoningCodeParkingUpdate.html)



# CASP

## Cornfield Arroyo Seco Specific Plan



Los Angeles Department of City Planning





# L.A. Prep

- 50+ Companies
- 200+ jobs
- <25 parking spaces

~~AB 710~~

~~AB 904~~

AB 744

**As of January 1, 2016, developments containing affordable housing and located near transit will be 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.

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.



**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 ½ 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.

**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 ½ 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.)

**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.

Thank You