

BOARD OF ALDERMEN

ITEM NO. D(1)

AGENDA ITEM ABSTRACT

MEETING DATE: OCTOBER 14, 2003

TITLE: Review of the Ordinance Revisions Recommended in the Parking Task Force Report

DEPARTMENT: PLANNING	PUBLIC HEARING: YES ___NO__X__
ATTACHMENTS: <ul style="list-style-type: none">A. ResolutionB. Task Force ReportC. Article XVIII, Parking, from Carrboro Land Use OrdinanceD. Table of Permissible Uses from Carrboro Land Use OrdinanceE. Carrboro Town Charter, Section 6-9F. Recommendation from Downtown Development Commission	FOR INFORMATION CONTACT: Dale McKeel – 918-7329

PURPOSE

On February 18, 2003, the Board of Aldermen requested that Town staff develop six amendments to the land use ordinance related to downtown parking. The purpose of this report is to provide data and information needed to make a decision on whether to move forward with each of the amendments. The Board of Aldermen is requested to review this analysis, determine whether text amendments should be prepared, and, if so, the priority order for the amendments. A resolution receiving the report is attached (Attachment A).

INFORMATION

A Parking Task Force was created by the Board of Aldermen in April 2002 as recommended by the *Downtown Vision* report. On October 18, 2002 the Parking Task Force Report was first presented to the Board of Aldermen (Attachment B). The parking report recommended five revisions to the parking section of the land use ordinance.

At the February 18, 2003 meeting, Town staff proposed that the Aldermen review these suggested ordinance revisions and provide direction on whether there should be additional analysis of any of these recommendations and, if so, the priority order in which the recommendations should be analyzed. Town staff also suggested a sixth amendment for the Board to consider. The Aldermen requested that staff develop ordinance amendments for all six items.

The parking report recommended revisions to the parking section of the land use ordinance in the following areas:

1. Abandon use-based calculation of parking load.
2. Provide payment-in-lieu option based on cost of town supplying parking not provided by developer.
3. Simplify dimensional standards for parking bays and aisles shown on development plans.
4. Give consideration to establishing maximum lot area devoted to parking
5. Remove requirement to pave lots.

In addition, Town staff on February 18 proposed a sixth item for consideration:

6. Eliminate the requirement that development in downtown provide parking, or eliminate parking requirement for residential uses in mixed-use developments or for residential uses on upper floors of multi-story buildings.

Due to the complexity and inter-relatedness of these recommendations, Town staff has delayed the preparation of ordinance amendments in order to provide opportunity for further evaluation. Also note that the downtown circulation study will provide an analysis of downtown parking and the parking task force report. An analysis of the parking report recommendations is provided as follows:

Recommendation # 1: Abandon Use-Based Calculation of Parking Load

Description from Parking Task Force Report: Substitute simple calculations based on gross floor area only. *Purpose – facilitate development process, encourage mixed-use projects, and reduce administrative burden for town staff.* Factor higher load for at-grade (first floor) space. *Purpose – a) acknowledge that first floor is most suitable for retail use and thus attracts higher loads, and b) encourage developers to build taller. Suggested: 3 spaces per 1,000 s.f. at grade, 1 space per 1,000 s.f. other floors.*

Discussion

Section 15-291(g) of the land use ordinance contains a parking requirements table that specifies a “presumptive standard” for the minimum number of parking spaces to be provided for different uses, including such uses as squash courts and drive-in cinemas (Attachments C and D). Because of the number of different permissible uses, this table is more than four pages long. The current parking requirements table can be complicated to administer, particularly with larger projects that have a variety of uses.

Minimum parking requirements are intended to address problems with an undersupply of parking, by requiring a developer to provide at least a certain number of off-street parking spaces. Historically, the rationale for having minimum parking standards is to ensure that there is parking

within a reasonable distance of a driver's final destination and to guard against spillover parking in residential neighborhoods near a development.

While minimum parking requirements are meant to alleviate some problems, they can create others. Minimum parking requirements are often based on surveys conducted at single-use, suburban sites that offer ample free parking and where few or no alternatives to driving are provided.¹ For this reason, the use of generic, one-size-fits-all minimum parking requirements may not be appropriate in downtown areas with pedestrian and bicycle connections and good public transit service.

To address this potential problem, Carrboro's ordinance at Section 15-292 requires that the parking requirements be administered in a flexible manner, under which the permit-issuing authority may require more or less parking than the amount listed in the parking requirements table, based on a review of the proposed development and evidence submitted by the applicant. (Attachment C). For example, in approving the Old Farmer's Market Building in 2002, the Board of Aldermen reduced the number of required spaces by a total of 59 parking spaces, citing the evidence of vacant spaces in an existing lot and the development's proximity to downtown and to transit lines.

In addition, Carrboro's ordinance allows joint use of the same parking spaces by two or more principal uses, thus allowing both uses to count those spaces toward meeting the ordinance requirements. A business that operates only in the evening, for instance, could jointly use parking spaces with a business that is open only during the day.

Implications of Adopting the Amendment

The parking report recommends that the parking requirements table be replaced by simple calculations based on gross floor area only, and suggests 3 spaces per 1000 s.f. on the at-grade floor and 1 space per 1000 s.f. on other floors. If properly crafted, Town staff concurs that this proposal could have the intended effect of ensuring adequate parking for new downtown development while greatly simplifying the administrative burden.

The approach recommended in the parking report appears most suited to retail and office uses. With a few other uses, such as single room occupancy (SRO) dwelling units, an applicant in some cases could be required to provide more parking than would be required by the current table. For example, the current ordinance required six parking spaces for the SRO units in the recently approved Club Nova project, while the proposed approach would have required 15 spaces.

On the other hand, the proposed approach might also result in an under allocation of parking for some uses, such as restaurants and automotive repair shops, that often have higher parking needs. For instance, a 2000 s.f. automotive repair shop with two repair bays would be required to have approximately 16 spaces under the current ordinance but six spaces under the proposed amendment. With the recently approved Provence restaurant project (1800 s.f.), the current ordinance required 22 parking spaces (including 4 spaces for outdoor seating) while the proposed approach would require 6 spaces.

¹ U.S. Environmental Protection Agency, Urban and Economic Development Division, *Parking Alternatives: Making Way for Urban Infill and Brownfields Redevelopment*, (Washington, D.C., USEPA, 1999), p. 4.

Alternative Approaches

Town staff has identified the following alternatives that would also simplify the current use-based approach to determining parking requirements:

1. Adopt a New Urbanist Approach. Some communities have adopted a new urbanist “SmartCode” which contains much simplified minimum parking requirements compared to traditional zoning ordinances. Fort Myers, Florida, for instance, has adopted general parking requirements for residential, lodging, office, and retail uses in its downtown area. For other uses, such as meeting or civic space, Fort Myers determines parking requirements based on a specific study of the proposed use. The Fort Myers ordinance also has graduated requirements, with the lowest parking requirements in the town center and higher requirements further from the center.
2. Update of Shared Parking Provisions. Consideration should also be given to revising the shared parking provision in Carrboro’s ordinance to provide additional guidance in reviewing mixed-use projects and to take into account that typically fewer spaces are needed to meet the total peak parking demand for a mixed use project.
3. Update the parking requirements table and reduce downtown requirements. The parking requirements table in Carrboro’s ordinance dates back to its adoption in 1980. While amendments have been made to the requirements for some uses, the table should be reviewed in light of more recent studies and published standards. This review would evaluate parking requirements and actual parking needs for specific uses, and develop criteria based on a standard closer to the average rather than peak parking needs. As part of this update, staff should look for opportunities to simplify the table. In addition, due to more opportunities for shared parking, a more walkable environment, a mixture of uses, and the existence of local fare-free transit, the Town could establish alternative parking standards for downtown development that are lower than the parking standards in other parts of the community. Consideration also could be given to giving developers credit for on-street parking created as part of a project.

Recommendation # 2: Provide Payment-In-Lieu Option Based On Cost of Town Supplying Parking Not Provided by Developer

Description from Parking Task Force Report: Allow deductions from payment-in-lieu of actual cost of facilities or programs which support bicycle commuting and other personal motor vehicle alternatives – bike racks, employee showers, etc. *Purpose – Allow flexibility to developer and build public fund for parking and related development. Suggested: \$6,000 per space not provided, adjusted annually for inflation.*

Discussion

The parking report suggests that a payment-in-lieu option be created to facilitate the provision of parking by the Town of Carrboro. Under this option, a developer could pay a fee instead of providing the parking spaces required by the zoning ordinance.

The payment-in-lieu option is related to the parking requirements listed in recommendation # 1. Most communities set a uniform fee per space that is applied to all projects, though some communities calculate the fee on a case-by-case basis for each project. Communities use a variety of methods to set their in-lieu fees.

In a 1996 survey, the fees charged by different communities ranged from \$2000 to \$27,520 per space not provided.² In Palo Alto, California, based upon the costs of the two public garages under construction, the fee is currently set at \$50,993 per parking space that is not provided on site.

Most cities allow the developer to choose whether to pay the fee or provide the parking, but a few cities require the developer to pay the fee rather than provide the parking. The in-lieu fees in most communities do not cover the full cost of providing a public parking space. Cities try to set the fees high enough to pay for some public parking, but yet low enough not to discourage downtown development.

A payment-in-lieu program should be viewed as a complement to other efforts to develop downtown parking. The Town of Carrboro's Charter provides for the establishment of a payment-in-lieu program in Section 6-9, Off-Street Parking Fund (Attachment D).

There is not a lot of experience with the use of in-lieu fees in North Carolina. Town staff has identified one municipality, Chapel Hill, which has created a payment-in-lieu for parking program. Chapel Hill's program, referred to as the Town Center District Off-Street Parking Fund, has been in place for a number of years, but no payments have been made into the fund since it was created.

Implications of Adopting the Amendment

Donald C. Shoup, a professor of planning at UCLA, in the mid-1990s surveyed officials in 46 cities in the U.S., Canada, and abroad on their in-lieu parking program.³ He developed the following advantages and disadvantages of in-lieu parking programs based on these surveys:

Advantages of In-Lieu Fees

1. A new option. In-lieu fees give developers an alternative to meeting the parking requirements on sites where providing all the required parking would be difficult or extremely expensive.
2. Shared Parking. Public parking spaces allow shared use among different sites where the peak parking demands occur at different times. Shared public parking is more efficient than single-use private parking because fewer spaces are needed to meet the total peak parking demand. Shared parking also allows visitors to leave their cars

² Shoup, Donald C., "In Lieu of Required Parking," Journal of Planning Education and Research, Vol.18, No. 4 (1999), pp.307-320.

³ Ibid.

parked while making multiple trips on foot, and is one of the easiest ways to make better use of scarce urban land.

3. Better Urban Design. Cities can put public parking lots where they have the lowest impact on vehicle and pedestrian circulation. Less on-site parking allows continuous storefronts without “dead” gaps for adjacent surface parking lots. To improve the streetscape, some cities dedicate the first floor of the public parking structures to retail use. Developers can undertake infill projects without assembling large sites to accommodate on-site parking, and architects have greater freedom to design better buildings.
4. Fewer Variances. Developers often request parking variances when providing the required parking would be difficult. These variances create unearned economic windfalls granted to some but denied to others. If developers can pay cash rather than provide the required parking, cities do not have to grant parking variances and can therefore treat all developers consistently.
5. Historic Preservation. In-lieu fees allow adaptive reuse of historic buildings where the new use requires additional parking that is difficult to provide. The in-lieu policy therefore makes it easier to preserve historic buildings and rehabilitate historic areas.

Disadvantages of In-Lieu Fees

1. Lack of On-Site Parking. Parking is a valuable asset for any development. A lack of on-site, owner-controlled parking can reduce a development’s attractiveness to tenants and customers. While a lack of on-site parking is a real disadvantage, developers who are concerned about this problem can always provide the parking rather than pay the fee.
2. High Fees. Cities may not construct and operate parking facilities as efficiently as the private sector. For example, cities may pay extra to improve the architectural design of parking lots and structures. The resulting in-lieu fees may be high. Although some cities charge high in-lieu fees, most set their in-lieu fees lower than the cost of providing a public parking space. Because the fixed cost for ramps, elevators, stairwells, and curb cuts can be spread among more spaces in large public parking structures, economies of scale in building these structures can further reduce the in-lieu fees.
3. No guarantees. Cities may intend to use the in-lieu fee revenue to finance public parking, but they do not guarantee when or where the parking spaces will be provided. To address this concern, some cities build public parking structures before receiving the in-lieu fees. The in-lieu fees are then used to retire the debt incurred to finance the structures. Other cities return the in-lieu fees if they do not provide the parking within a certain time. A city can also delay collecting the in-lieu fees until the revenue is needed to construct the public parking.
4. Fewer parking spaces. In-lieu fees will reduce the parking supply if cities provide fewer than one public parking space for each in-lieu fee paid. A smaller parking supply

can put an area at a competitive disadvantage. Cities may not provide one public parking space for each in-lieu fee paid, but if a city uses in-lieu fees to build public parking spaces rather than grant variances to reduce parking requirements, the in-lieu policy will increase rather than decrease the parking supply. Even if an in-lieu policy does reduce the parking supply, shared public parking reduces the parking supply needed to meet the sum of all individual peak parking demands.

Additional Considerations

In reviewing the experience of other communities in developing an payment-in-lieu option, it has been noted that the success of this method is more likely (1) when rapid development is expected in a definable area, and (2) when an off-street parking facility is already available or will be available on a definable schedule and within acceptable proximity.

A significant problem has occurred in communities where there was slow, small, and random development, and money dribbled into the fund and was not sufficient to cost-effectively provide parking in reasonable proximity to each development. A developer who has contributed \$50,000 in lieu of ten parking spaces probably does not want the money to sit in the fund for five years waiting for more funds to come in, nor have the funds used for parking spaces several blocks away from her development.⁴

Another consideration is the relationship between a payment-in-lieu option and the flexibility provisions in Carrboro's land use ordinance. For payment-in-lieu to be successful, the Town would likely need to minimize the application of the flexibility provisions in the ordinance.

Complementary Strategies

Town staff has identified the following complementary actions to the creation of an in-lieu fee. Note that the use of some of these options might require a modification of Section 6-9, Off-Street Parking Fund, in the Town Charter:

1. Capital Improvements Planning and Additional Funding Sources. Taking into account the link between in-lieu fees and public parking facilities, the development of an in-lieu fee in Carrboro should be coordinated with the update of the Capital Improvement Program and other planning for the addition of parking spaces in downtown. In other words, in-lieu fees could be used to capitalize the public provision of parking spaces according to a specific parking plan adopted by the Town. And because in-lieu fees are rarely set high enough to cover the full cost of providing public parking, additional sources of funding must be identified. Sources of funding might include the general fund, funds generated through a downtown tax district, project development financing (aka tax-increment financing, if approved by the voters in November 2004), or parking fees. Note that the parking report recommends the use of parking fees but the *Downtown Vision* report recommends that parking remain free of charge.
2. Transportation Demand Management. In addition to efforts to increase the supply of parking in downtown Carrboro, the parking report also recommends strategies to reduce the demand for

⁴ ULI – the Urban Land Institute and NPA – the National Parking Association, *The Dimensions of Parking* (Washington, D.C., ULI, 1993), p. 50.

parking. Transportation Demand Management (TDM) is a general term for various strategies that increase transportation system efficiency. For instance, Carrboro's ordinance already gives developers credit for one parking space if bicycle parking is provided. The parking report suggests that similar credit can be given for providing on-site showers and other incentives to promote transportation alternatives. Ordinance amendments should include a consideration of other TDM measures that can be encouraged as part of downtown development.

3. Purchase of Parking Permits or Transit Payments. Kirkland, Washington has two unusual payment-in-lieu options. Developers can pay \$6000 per parking space not provided, and the subsequent owners must purchase one parking permit in a public lot for every three spaces not provided. Alternatively, developers pay no initial in-lieu fee but subsequent owners must purchase a parking permit in a public lot for each space not provided. Since Carrboro currently has free parking in public lots, this option could not be implemented unless parking fees are implemented. As an alternative, developers could make annual payments to the support the transit system instead of providing parking. The option to make annual payments for parking or transit would reduce the capital cost of development and encourage the use of public parking or improvements to the transit system.

Recommendation # 3: Simplify Dimensional Standards For Parking Bays and Aisles Shown on Development Plans

Description from Parking Task Force Report: Allow developers to create their own mix of large/small spaces in accordance with need. Allow developers to vary from detailed parking layout shown on plan used to calculate gross compliance or payment-in-lieu. Prepare supplementary guidelines for standard parking layouts to aid developers in efficient layout. *Purpose – Allow flexibility to developer and reduce administrative burden on town staff. Use the development plan layout purely to establish a uniform baseline for payment-in-lieu. Suggested values: standard parking bay 8' x 18', aisle width 18'. Delete references to subcompact spaces & motorcycle spaces.*

Discussion

Section 15-293 and 15-294 of Carrboro's ordinance specifies the required dimensions of parking spaces and parking aisles. Town staff has reviewed guidelines promulgated by the Institute for Transportation Engineers, American Planning Association, Urban Land Institute, and National Parking Association. While Carrboro's standards generally match those recommended by these organizations, the width and length of Carrboro's standard parking space can be reduced to promote more efficient parking lot layouts.

Carrboro currently allows up to 40 percent of parking spaces to be for "subcompact" cars, and sized at 7 ½ feet wide by 16 ½ feet long. Carrboro's ordinance allows a higher percentage of compact spaces than other ordinances reviewed by Town staff. In addition, Carrboro's ordinance allows a developer the latitude of determining the desired mix of standard and subcompact spaces, up to the 40 percent limit.

The Urban Land Institute and National Parking Association recommend eliminating large-car and small-car spaces in favor of a one-size-fits-all design. The reasons for this recommendation are that

(1) most drivers do not know the size of their vehicle or whether it is a large car or a small car, (2) most drivers take the first available space regardless of size, and (3) large cars parked in small car spaces create problems by encroaching on adjacent spaces and possibly on the adjoining aisles.⁵

Town staff has carefully considered the recommendation to allow developers to vary from detailed parking layout shown on plans used to calculate gross compliance or payment-in-lieu. Since site plans are used not only to review parking compliance but also to review curb cuts, site circulation, handicapped access, pedestrian amenity, set backs, signage, stormwater runoff, shading, lighting, landscaping, and other criteria, Town staff is more comfortable with having projects built as shown on approved site plans.

However, in order to provide additional flexibility in the layout of parking lots, the Board could consider an amendment similar to this language contained in Durham's zoning ordinance (Section 9.3.1):

Parking spaces using geometric standards other than those specified elsewhere in this ordinance may be approved subject to a determination by the Durham Transportation Department that the plans for the facility are sealed by a registered engineer with recognized expertise in parking facility design and a determination that the proposed facility will satisfy off-street parking requirements as adequately as would a facility using standard ordinance dimensions.

In regard to supplemental guidelines to aid developers in efficient parking lot layout, Town staff has resources from organizations such as the Institute for Transportation Engineers and American Planning Association which can be provided to developers and designers to aid in efficient parking lot layout.

Recommendation # 4: Give Consideration to Establishing a Maximum Lot Area Devoted to Parking

Description from Parking Task Force Report: *Purpose – Discourage low-density development.*

Alternative and Complementary Approaches

Establishing a maximum lot area devoted to parking would limit the amount of parking on a lot and could encourage higher density development in downtown Carrboro. Town staff has identified the following approaches that also promote these goals:

1. Satellite parking. Carrboro's ordinance already allows parking requirements to be met on satellite parking lots. Satellite parking allows one lot to be more densely developed if the parking is placed on another nearby lot.

⁵ Ibid, p. 83.

2. Maximum parking requirements. Rather than setting a minimum number of parking spaces for a use, some communities have adopted maximum requirements which limit the number of spaces that may be provided as part of new development. However, the use of payment-in-lieu of parking, which is based on meeting minimum parking requirements, may not be compatible with maximum parking requirements.
3. Design Standards. Design standards can be used to promote better site design and the location of parking. Some communities, for instance, require or provide incentives to locate parking lots behind buildings or underground rather than in front, or adopt a build-to line or zero setbacks along the street in certain locations. Similar measures were recommended in the Downtown Vision document.

Recommendation # 5: Remove Requirements to Pave Lots

Description from Parking Task Force Report: Consider retention of requirement to pave access to lots. *Purpose – Reduce runoff.* Remove inappropriate general design guidelines. *Purpose – effective use of space, optimize parking in relation to other demands.*

Section 15-296(g) of the land use ordinance allows parking lots in the B-1(c) zoning district to be unpaved. The parking report recommends extending this flexibility to other zoning districts in the downtown. Members of the parking task force have stated that the primary area of emphasis in making this recommendation was smaller parking lots in the downtown.

It should be noted that gravel in lots can cause damage to vehicles and paved surfaces, and can be more difficult for walking, particularly for the elderly and disabled. Unpaved lots are required to have paved handicapped parking spaces and other accommodations for wheelchair users.

When compacted, the imperviousness of gravel lots can approach that of a paved surface. In addition to removing the requirement to pave lots, there are other strategies for reducing runoff and improving water quality on developed sites, such as the use of different pavement treatments and other “low impact” designs.

Complementary Approaches

The Downtown Vision report also recommends enhanced landscaping of parking lots in downtown Carrboro. If the requirements to pave parking lots are changed, enhancements to the parking lot landscaping requirements could also be considered.

Recommendation # 6: Remove Parking Requirements for Downtown Development

Eliminate the requirement that development in downtown provide parking, or eliminate parking requirement for residential uses in mixed-use developments or for residential uses on upper floors of multi-story buildings.

[Note that this recommendation came from Town staff, not the Parking Task Force]

Several communities in North Carolina have removed the parking requirement for downtown development. These cities include Durham, Salisbury, and Wilmington. In addition, the following municipalities have removed parking requirements for some development in their downtowns:

- Raleigh has eliminated its minimum parking requirements in downtown, except that residential developments with more than 8 units are required to provide one space per unit.
- Apex has eliminated the minimum parking requirements for existing platted areas that are, or previously have been, in commercial use.
- Greenville has eliminated the parking requirement in its downtown commercial area except for the requirement that residential uses are required to provide 0.5 spaces per bedroom. In addition, these spaces are to be within 800 feet of the building.

While developers in these cities are free to provide parking as part of their projects, these communities have often taken on the responsibility of providing the parking needed for downtown projects, in part as an inducement for downtown development. For instance, Durham city and county are investing more than \$40 million to build parking decks as part of the American Tobacco redevelopment adjacent to Durham Bulls Athletic Park.

If parking requirements for downtown development are removed in Carrboro, the Town would need to be willing to undertake the responsibility of providing the necessary parking to support downtown development.

In support of the removal of parking requirements, Professor Donald Shoup has stated that leaving parking supply up to developers, who have a financial interest in not overbuilding parking, may lead to better planning than the minimum parking requirements that are currently in place in many communities.

Note that if this recommendation were adopted, it would not be feasible to adopt recommendations # 1 or # 2.

RECOMMENDATION

The Board of Aldermen is requested to review this analysis, determine whether text amendments should be prepared, and, if so, the priority order for the amendments. A resolution receiving the report is attached (Attachment A).