



Planning & Transportation Commission

Staff Report (ID # 9218)

Report Type:	Study Session	Meeting Date: 8/29/2018
Summary Title:	Framework for the 2018 Comp Plan/Housing Ordinance	
Title:	Implementing the Council Housing Work Plan Referral: Framework for the 2018 Comp Plan Implementation and Housing Ordinance	
From:	Jonathan Lait	

Recommendation

Staff recommends the Planning and Transportation Commission (PTC):

1. Review the framework for housing-related zoning changes to encourage production of a diversity of housing types in appropriate locations, as specified by the Council referral of 2018 Housing Work Plan items; and
2. Provide input to staff regarding possible zoning changes to inform preparation of a draft ordinance.

Report Summary

The Background section of this report summarizes work completed to date, including PTC study sessions, meetings with stakeholders who regularly use the zoning code, and a community open house on housing held in June 2018. The background section also provides updated findings from the Fehr & Peers' study of parking occupancy rates at multi-family residential developments in Palo Alto. The revised study includes an intercept survey to obtain resident perspectives on parking conditions and availability, as well as an analysis of on-street parking surrounding the surveyed sites.

The Discussion/Analysis section of this report:

- identifies existing zoning regulations and how they relate to housing production;
- offers ideas for zoning revisions;
- details how the revisions would increase housing production and/or affordability; and
- analyzes how the revisions fit in with the specific implementation items identified in the Council's Housing Work Plan referral.

The PTC is requested to provide comments on the draft ideas for zoning revisions. This input will inform staff's preparation of a draft ordinance for PTC and Council consideration this fall.

Background

On February 12, 2018, the City Council approved a Housing Work Plan, which outlines steps to implement the City's vision and adopted policies and programs for housing production, affordability, and preservation. The Work Plan includes select policies and programs from the adopted Comprehensive Plan, adopted Housing Element, and a City Council colleagues' memo.

The Work Plan describes the City's progress towards the housing production goals at various income levels (i.e. RHNA) identified in the Comprehensive Plan Housing Element. The Work Plan also explains the City's progress towards the housing projections developed during preparation of the updated Comprehensive Plan (i.e., 3,545-4,420 new units between 2015 and 2030). In both cases, the City is behind in its effort to meet these goals. The approved Housing Work Plan indicates what action is needed to spur the production of housing.

The City Council referred to the PTC specific Work Plan items related to a 2018 zoning amendment ordinance. The PTC has held three study sessions to analyze various aspects of the Work Plan and to consider possible zoning changes to facilitate implementation of both the Work Plan and (by extension) the Comprehensive Plan housing production targets. A summary of previous study sessions is provided, as follows:

- March 14th: The PTC discussed the Work Plan goals, timeline, and the PTC's role in implementation.
- April 25th: The PTC discussed key issues in the zoning code as they relate to the Council referral, including issues regarding development standards and the entitlement process.
- May 30th: The PTC discussed parking topics as they relate to housing production, including a new study of parking occupancy in multi-family residential developments in Palo Alto.

The purpose of the August 29th study session is to receive public input and Commission feedback on the conceptual framework of zoning changes to inform preparation of an ordinance for PTC and Council consideration.

The City is pursuing these zoning updates in parallel with several other zoning and policy changes to achieve Work Plan, Comprehensive Plan, and Housing Element goals. Specifically, changes to local implementation of State Density Bonus Law, an updated Accessory Dwelling Unit Ordinance, a new Affordable Housing Overlay, and a new Workforce Housing Overlay are intended to facilitate affordable housing at varying income levels and market rate housing opportunities, consistent with the City's adopted policy.

As these zoning changes are implemented through individual development projects, the City will continue to evaluate the effects of the code change, and make additional revisions over time, as would be necessary.

Community Outreach. As Council directed for the Work Plan implementation, the City has conducted two complementary community outreach efforts: (1) meetings with stakeholders who regularly use the City's zoning code; and (2) a community meeting with the public at-large. Findings from these efforts are described below.

(1) Stakeholder Meetings. Consultants conducted 16 meetings with 22 individuals (primarily architects and developers) in April and May 2018. Attachment A provides a summary of these meetings. Key findings were as follows:

- Generally, stakeholders agreed with the direction of the Council referral, including streamlining the review process and reducing zoning constraints.
- Density and parking were cited as the major constraints to configuring a site in terms of site planning, massing, and the number of units attainable.
- There was a general sense that the current zoning does not support the City's stated goals of multi-family housing, and a recommendation that the City instead allow the types of developments that it wants "by right" and/or through modifications to density, parking, and related standards.
- Stakeholders expressed frustration about the length of time the entitlement process takes due to multiple reviewing bodies and instead recommended having one review body conduct design review based on a clear set of standards.

(2) Community Open House. On June 28, 2018, the City held a community open house on housing topics to describe the Housing Work Plan, present ideas for its implementation, and solicit feedback from community members on proposed ideas. Over 30 community members attended the meeting, which included a presentation, an open house of "idea stations" that allowed participants to interact with staff and other participants one-on-one or in small groups, and a debrief to share community members' comments. The presentation, idea station boards, and detailed feedback (in the form of notes taken by staff and individual feedback forms) may be reviewed on the project website:

https://www.cityofpaloalto.org/gov/depts/pln/long_range_planning/housing_programs_and_policies/housing_work_plan.asp

Attachment B provides detailed notes from the open house; key findings are summarized below:

- Participants expressed a range of perspective on housing needs and ideas to spur housing production. There was little consensus about how to implement the adopted goals of the Comprehensive Plan, Housing Element and direction proposed in the Housing Work Plan.

- While some participants supported revisions to development standards and review processes to streamline housing production, others were concerned about impacts of new development on existing neighborhoods, traffic, and services.
- Ideas for revisions to parking regulations had the greatest range in perspectives: some participants were concerned that reductions in parking requirements would lead to spillover parking in neighborhoods; others supported requirements that more closely matched demand, especially for populations with lower parking demand such as seniors, homeless, and low income households.

Revised Parking Study. At the May 30, 2018 PTC meeting, a few Commissioners expressed concerns about the parking study prepared by Fehr & Peers, which assessed parking occupancy at nine multi-family housing sites throughout the city. Specifically, Commissioners wanted to understand the relationship between Census data and the empirical study conducted by Fehr & Peers; the PTC suggested that the study account for tenants parking on City streets, and asked for qualitative perspectives to understand where residents are parking and why.

Based on additional data collection, Fehr & Peers has revised the parking study, which is provided in Attachment C. In June and July, 2018, they conducted new surveys at eight of the nine apartment complexes to measure peak parking demand for both off-street and on-street spaces.¹ Most of the complexes demonstrated similar or slightly lower on-site parking demand between the previous surveys and the new surveys. In part, this may be due to summertime schedules and vacations. The updated report suggests reductions to parking requirements to better align parking supply with demand, as shown in the parking subsection below (see idea #6).

In addition, Fehr & Peers conducted intercept surveys at one of the complexes, the Marc, to determine residents' perspectives on parking conditions.² Residents at this complex generally parked in the on-site garage since they have assigned spaces, feel safe, and can avoid the hassle of on-street parking. However, the sample size of one complex is too small to draw conclusions. Although anecdotally interesting, it falls short of staff's expectations for data collection to meet the PTC's interest in understanding tenants' perspectives.

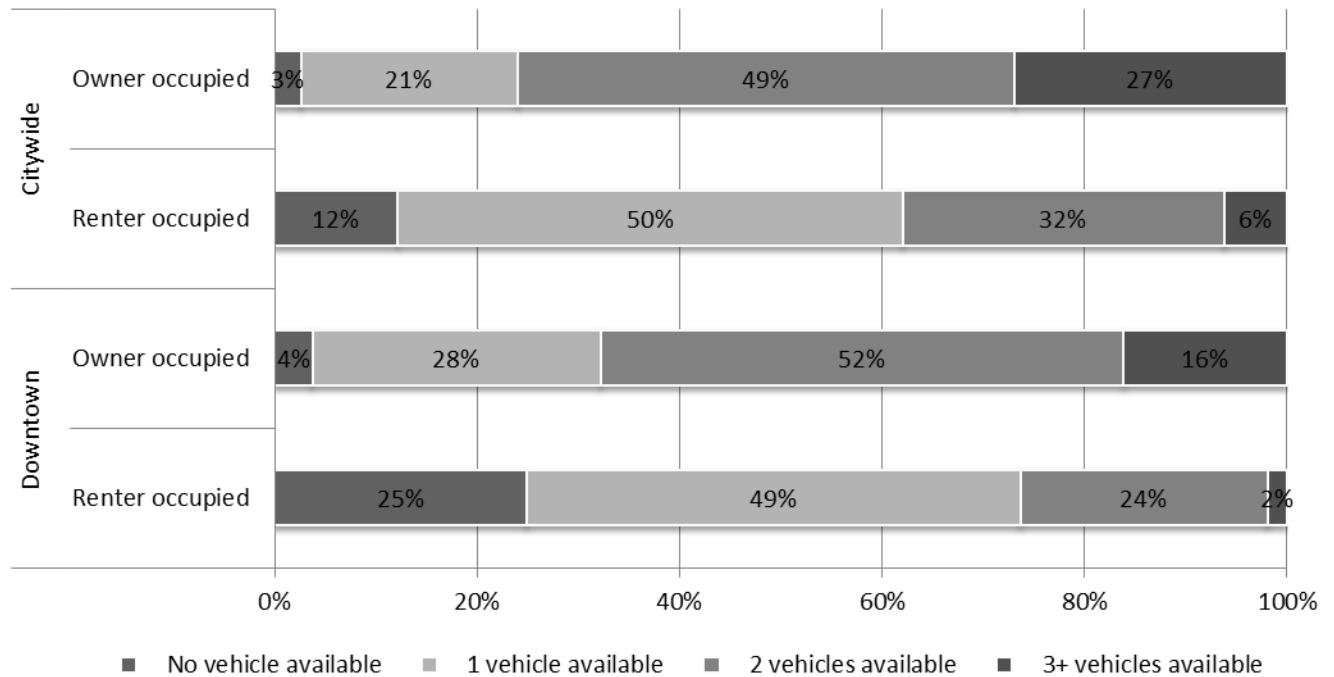
Chart 1 responds to Commissioners' questions about the relationship between Census data and the Fehr & Peers findings. It also provides data by tenure (rental vs. ownership-occupied households) as a proxy for income, in response to at least one Commissioner's interest in the effects of income on vehicle ownership. The Fehr & Peers study analyzed parking occupancy for multi-family, renter-occupied households only. On the other hand, American Community Survey (ACS) data, gathered by the U.S. Census, takes a sample of all households, including

¹ One apartment complex had been sold since Fehr & Peers conducted the original survey; the new owners did not want to participate in the updated survey.

² For this in-person survey, Fehr & Peers intercepted residents in and near the project garage to ask questions about their perspectives on parking inside the project versus outside on the street. Only one property manager/owner allowed Fehr & Peers to conduct the intercept survey; the other eight declined to participate.

renters, owners, and occupants of both single- and multi-family homes. Chart 1 reports the ACS data, which demonstrate that renters in Palo Alto have substantially fewer vehicles compared to owners. Accordingly, one might expect lower vehicle ownership rates among households in the sites surveyed by Fehr & Peers compared to the vehicle ownership rates among the total population citywide.

Chart 1: Vehicles Available, by Tenure, Downtown and Citywide (2016)



Source: American Community Survey: 2016 5-Year Estimates (Vehicles Available by Tenure)

Note: Downtown includes Census Tracts 5113.01 and 5113.02.

Highest and Best Use: Office vs. Residential Development

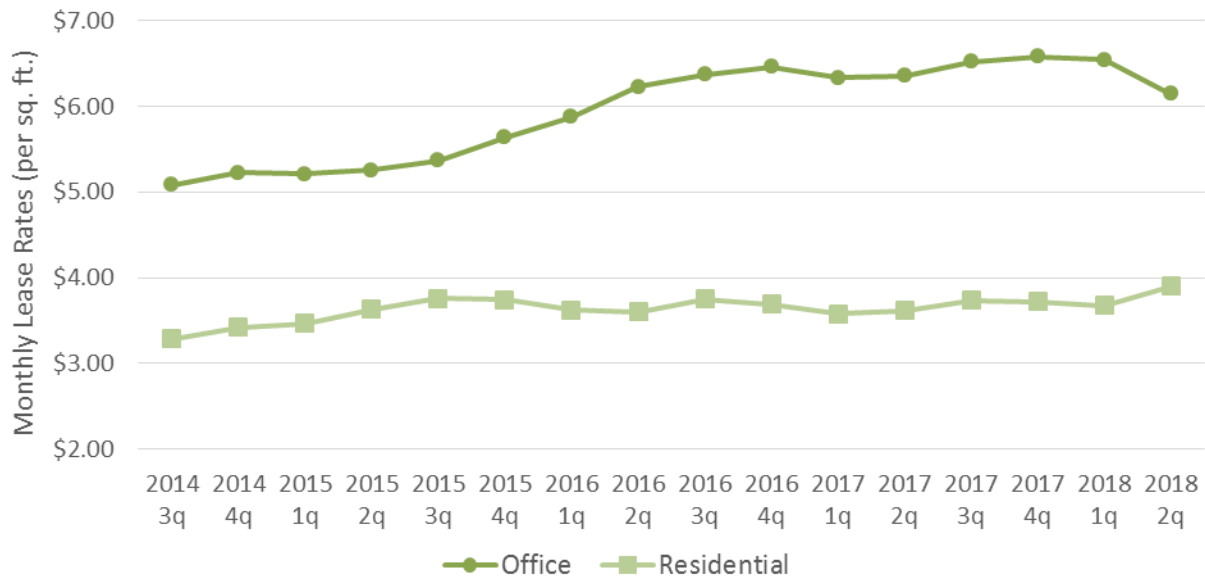
At least one Commissioner has asked whether bringing standards on par for these different use types would affect the feasibility of residential uses and a property owner's decision-making about what type of project to pursue. The highest and best use of a property is determined by four key factors:

1. Legal permissibility (is it permitted by zoning and other regulations);
2. Physical possibility (do site specific features make development impossible or too costly);
3. Financially feasibility (does the potential use have value commensurate with its costs); and
4. Maximal productivity (the use that produces the highest "residual land value," a metric of the value of the use, less the cost expended to build it).

Currently, office, hotel, and multi-family residential (when part of a mix of uses) are legally permitted uses in most of the CD(C), CC(2), CS, and CN districts. However, as was documented

in the April 25th study session and summarized in Idea #11 below, district regulations favor office and other non-residential uses versus residential uses through more generous development standards (e.g., parking standards, FARs), which affect the physical possibility of multi-family development. (See Attachment D for a comparison of how different use types can buildout in the CD(C) and CS districts.) While an office and multi-family use may both be financially feasible, an office use is often the maximally productive use, given higher densities, lower construction and operating costs, and higher lease rates, as shown in Chart 2 below.

Chart 2: Lease Rates in Palo Alto, by Use (2014-2018)



Source: CoStar quoted rental rate for Palo Alto, 2018 Q2 Report (office); Zillow Rent Index all rentals estimate (residential).

In order to change this equation to tip the balance toward multi-family residential uses, a change in the market and/or policy interventions are required. Modifications to development standards and use regulations affect physical possibilities and legal permissibility, respectively. While changes in construction costs, demand, and lease rates affect financial feasibility.

During stakeholders interviews, a couple of developers indicated that the market for office uses in Palo Alto is softening. This statement is supported by data that shows a modest reduction in lease rates since the last quarter of 2017 (Chart 2) and the highest office vacancy rates in the last three quarters that the city has seen in the last four years in which data were available (Chart 3). In part, this may be due to the City's policy interventions to reduce office construction and a greater market trend of companies and their employees wanting to locate in more urban locations, specifically San Francisco and Oakland, which are experiencing office construction booms.³

³ For example, see Newmark Knight Frank, 2018. Greater Oakland Office Market. Research 2Q 2018 <http://www.ngkf.com/Uploads/FileManager/2Q18%20Greater%20Oakland%20Office%20Report.pdf> and Newmark

Chart 3: Office Vacancy Rate in Palo Alto



Source: CoStar quoted rental rate for Palo Alto, 2018 Q2 Report (office)

While the City’s decision-makers cannot control market factors, they can affect physical feasibility through zoning modifications. Ideas for these modifications are detailed in the section below.

Discussion/Analysis

This section presents a framework for the Comprehensive Plan Implementation and Housing Ordinance. With the exception of ideas presented in the “other” subsection below, all of these ideas have previously been reviewed by the PTC and/or by the community open house participants. Conceptual ideas are presented as a starting place for discussion purposes. Based on the Commission’s and community’s feedback, this list will be refined in preparation of an ordinance. Chapter numbers refer to subsections of the Palo Alto Municipal Code (PAMC).

A. Density and Intensity Standards

Current density/intensity maximums are one of the major items restricting housing production, according to architects and developers interviewed, and to the quantitative analysis of housing opportunity sites completed for Downtown.⁴ The following zoning revisions seek to remove constraints and provide incentives for residential development.

- 1. Modify PAMC Chapters 18.16 (Neighborhood, Community and Service Commercial District), 18.18 (Downtown Commercial District), 18.34 (Pedestrian and Transit Oriented Development [PTOD] Combining District) to eliminate residential density standards in the CD-C, CC(2), CN, CS, and PTOD districts**

Knight Frank, 2018. Greater San Francisco Office Market. Research 2Q 2018
http://www.ngkf.com/Uploads/FileManager/2Q18-San-Francisco-Office-Market_1.pdf.

⁴ Dyett & Bhatia and EPS. “Downtown Development Evaluation: Residential Capacity and Feasibility Analysis” October 30, 2017. <<https://www.cityofpaloalto.org/civicax/filebank/documents/64477>>

Current Standard: The zoning code currently regulates density in two ways: residential density (dwelling units/acre) and intensity (FAR). Maximum residential density standards for the City's commercial districts are shown in Table 1.

Table 1: Existing and Proposed Residential Density Standards, by Commercial Zoning District

<i>Maximum Residential Density (du/acre)</i>	<i>CD-C (Downtown)</i>	<i>CC(2)/PTOD (Cal Ave.)</i>	<i>CN District (El Camino)</i>	<i>CS District (El Camino)</i>
Existing	40	40 (50 w/BMR units)	15 (20 for Housing Element sites)	30
Proposed	--	--	--	--

Source: City of Palo Alto Municipal Code and Planning and Community Environment (PCE) Department, August 2018.

The following Housing Element policy supports Idea #1:

H2.2.8: Assess the potential of removing maximum residential densities (i.e. dwelling units per acre) in mixed use zoning districts to encourage the creation of smaller housing units within the allowable Floor Area Ratio (FAR), and adopt standards as appropriate.

How the Current Standard Affects Development: Residential density can be an imperfect metric on which to consider a project's potential impact, since density values vary based on the number of units. These values do not reflect the unit size or number of bedrooms in a project—metrics that relate more closely to population density. As a result, a proposed development that may otherwise fit into the allowable developable envelope (i.e., based on lot coverage, setbacks, and height and other standards) may have to propose larger units and/or more bedrooms in order to meet the density standard, as alluded to in the Downtown Development Cap residential study and described by stakeholders.⁵ This can directly affect affordability since larger units and lower density projects carry higher rents.

Potential Benefits and Impacts: Eliminating residential density standards would allow more flexibility for developers to increase the overall unit count without affecting the massing or design of a project. A density standard would still be retained in the form of FAR. As a metric, FAR values can be more easily illustrated and compared between projects to demonstrate the relationship between total floor area and the site area, and the resulting massing. This change could modestly increase the number of units proposed and the affordability of those units without impacting the massing and bulk of a project.

As an alternative, the City could require a minimum density threshold. Such a standard could ensure that a minimum number of units can be achieved, but it could also prevent a site from developing altogether if the minimum density is not achievable.

⁵ Dyett & Bhatia and EPS, 2007; and City of Palo Alto. *Housing Work Plan 2018 Comp Plan/Housing Ordinance: Stakeholder Interview Summary*, June 2018 (Attachment A)

2. Modify PAMC Chapter 18.13 (Multiple Family Residential) to establish a minimum density of 8 du/acre and increase the maximum density standard in the RM-15 district from 15 to 20 du/acre to match the Housing Element standard

Current Standard: The RM-15 district allows a maximum density of 15 units per acre, and does not regulate a minimum density. For example, on sites that are 5,000 square feet or greater, two units are allowed. However, the Housing Element identifies a realistic capacity of 20 units per acre for RM-15 sites, meaning that Housing Element sites that are zoned RM-15 must achieve a minimum density of 20 units per acre unless other sites (or replacement units) are identified.

The following Housing Element policy supports Idea #2:

Policy H2.1.3: Amend the zoning code to specify the minimum density of eight dwelling units per acre in all RM-15 districts. Consider amending the zoning code to specify minimum density for other multifamily zoning districts, consistent with the multi-family land use designation in the Comprehensive Plan.

How the Current Standard Affects Development: As described in idea #1 above, residential density maximums may constrain both unit yield and affordability.

Potential Benefits and Impacts: Increasing the residential density maximum would make the allowed densities in the Housing Element and district regulations consistent and provide an opportunity for some increased density. Setting a low floor for the minimum density at eight dwelling units per acre ensures that sites will not be underutilized, while not creating a burden on property owners and developers. This change could incrementally increase the number of units proposed and the affordability of those units, without impacting the massing and bulk of a project.

3. Modify PAMC Chapters 18.16 (Neighborhood, Community and Service Commercial District) and 18.18 (Downtown Commercial District) to allow residential development to utilize all existing FAR allowance (i.e., including existing non-residential allocation)

Current Standard: The zoning code currently regulates allowable development intensity separately for residential and commercial uses, and generally allows the highest intensities for hotel and commercial uses, as shown in Table 2. In the Downtown and California Avenue areas, these commercial uses can achieve twice as much FAR as residential uses can.

The code also requires a certain amount of ground-floor commercial development in each district. In the CD-C district, there is no specified FAR standard for the commercial component. However, in the CD-C/Ground Floor (GF) combining district, all ground-floor frontage must be commercial; residential is not permitted on the ground floor.

The Comprehensive Plan and Housing Element provide policy support for Idea #3:

Program L2.4.4 Assess non-residential development potential in the Community Commercial, Service Commercial and Downtown Commercial Districts (CC, CS and CD)

and the Neighborhood Commercial District (CN), and convert non-retail commercial FAR to residential FAR, where appropriate. Conversion to residential capacity should not be considered in Town and Country Village.⁶

Policy L-2.4.7: Explore mechanisms for increasing multi-family housing density near multimodal transit centers.

Policy H2.1.1: To allow for higher density residential development, consider amending the Zoning Code to permit high-density residential in mixed use or single use projects in commercial areas within one-half a mile of fixed rail stations and to allow limited exceptions to the 50-foot height limit for Housing Element Sites within one-quarter mile of fixed rail stations.

Table 2: Existing and Proposed FAR Standards, by Commercial Zoning District

Maximum Intensity (FAR)	CD-C (Downtown)	CC(2)/PTOD (Cal Ave.)	CN District (El Camino)	CS District (El Camino)
EXISTING				
Residential Mixed Use				
Residential	1.0	1.0	0.5	0.6
Commercial (Max.)	1.0	0.25-0.35	0.5	0.4
Ground Floor	n/a (except GF overlay)			
Commercial (Min.)		0.15-0.25	0.15	0.15
Subtotal Mixed Use	2.0	1.25	1.0	1.0
Non-Residential				
Commercial FAR	1.0	2.0	0.4	0.4
Hotel FAR	2.0	2.0	2.0	2.0
Bonus and/or TDR	1.0	0.5	N/A	N/A
Total Maximum FAR	3.0	1.5	0.9	1.0
PROPOSED				
Residential Mixed Use				
Residential	2.0	1.1	1.0	1.0
Commercial (Max.)	No Change			
Ground Floor	n/a (except GF overlay)			
Commercial (Min.)		0.15-0.25	0.0	0.0
Subtotal Mixed Use	No Change			
Non-Residential				
Hotel FAR	No Change			
Commercial FAR	No Change			
Bonus and/or TDR	No Change			
Total Maximum FAR	No Change			

⁶ Town and Country Village is located in the CC district and would not be affected by the proposed change.

Source: City of Palo Alto Municipal Code and Planning and Community Environment Department, August 2018.

How the Current Standard Affects Development: The Downtown Development Cap residential study identified FAR standards as one of the greatest obstacles to residential development. Current market trends support higher density residential uses. However, ground-up new construction will need to support the high cost of construction, as well as overcome the value of any existing use on the site. The report concludes that a ground-up project generally must at least double the existing residential density/intensity to overcome the high value of simply maintaining and earning income from an existing use.⁷ Stakeholders generally agreed with this assessment; FAR was cited by stakeholders as one of the top two constraints to development.⁸

Potential Benefits and Impacts: This idea would allow residential development to achieve the total FAR that is currently allowed for mixed use projects. It would not reduce the amount of commercial FAR allowed in a non-residential only development, nor would it affect ground-floor retail and/or commercial requirements in the Downtown or California Avenue areas, which have the highest concentrations of retail. Idea #11, below, explores a concept that would eliminate the ground-floor commercial requirement and retail preservation requirements on El Camino Real in certain locations between key retail nodes.

Allowing residential FAR to compose the entire mixed use FAR allowance would remove some of the disincentive that currently exists for residential development compared with commercial development, due to construction costs, lease rates, and development standards. This change would not increase the total amount of development currently allowed by the code, but may incrementally increase the amount of future residential development, and therefore decrease the amount of new commercial development.

B. Open Space Standards

On-site open space is an important factor in supporting livability in higher density residential areas, but current standards are applied inconsistently across districts and housing types. Standardization can clarify what is expected of developers, while flexibility in where open space may be located can provide opportunities to develop sites with the allowable massing and unit density.

- 4. Modify PAMC Chapters 18.16 (Neighborhood, Community and Service Commercial District) and 18.18 (Downtown Commercial District) to allow rooftop open space to qualify as usable open space for multi-family residential or residential mixed-use projects in the CD-C, CC(2), CN and CS districts (El Camino only), except on sites abutting single-family residential uses or zoning districts.**

Current Standard: The zoning code requires open space for residential uses in the City's commercial district. The code defines usable open space to include outdoor areas on the

⁷ Dyett & Bhatia and EPS, 2007.

⁸ Stakeholder Interview Summary, 2018.

ground floor, roof, balcony or similar locations. However, the code explicitly excludes rooftop gardens from qualifying as open space in the CD-C, CC(2), CN and CS districts.

The Housing Element generally supports more flexible development standards to facilitate innovative housing solutions:

Program H3.1.7: Ensure that the Zoning Code permits innovative housing types such as co-housing and provides flexible development standards that will allow such housing to be built, provided the character of the neighborhoods in which such housing is proposed to be located is maintained.

How the Current Standard Affects Development: Current standards necessitate that open space is located on the ground floor, balconies, or similar locations that could be used for other uses, including residential space. Along with other development standards, such requirements can reduce the development “envelope” available on a site, especially on small sites, which can make site planning a challenge.

Potential Benefits and Impacts: In areas of the City designated for higher density multi-family housing, options for how to configure the massing and site plan for a project can help maximize the number of units that are appropriate for a site. Moreover, rooftop decks in a climate such as Palo Alto can offer an amenity for residents to take advantage of views and community outdoor space.

To address issues of privacy, noise, visibility, odors, and safety, the following standards and guidelines are proposed for consideration by the public, Architectural Review Board (ARB) and PTC. Staff intends to discuss these design-related concepts with the ARB in late September/early October:

- Setbacks: Set back open space and required railings a minimum of 5 feet from all edges of the building to reduce visibility from the public right-of-way and adjacent buildings, and minimize privacy impacts.
- Access: Locate access/means of egress (i.e., stairway and/or elevator penthouse) away from the building edge to the extent feasible or sufficiently screen to minimize visibility from the public right-of-way and adjacent buildings, and reduce privacy impacts.
- Lighting: Any lighting shall be provided with cutoff fixtures that cast downward-facing light or low-level string lights. Photometric diagrams must be submitted for review by staff or decision-makers to ensure no spillover impacts into windows or openings of adjacent properties. Rooftop lighting shall not be visible from the ground level. (Also, note existing performance standards in PAMC Chapter 18.23.)

Flexibility in how open space is configured provides options for site planning and may incrementally increase unit yield and, in turn, affordability.

5. Modify PAMC Chapters 18.16 (Neighborhood, Community and Service Commercial District) and 18.18 (Downtown Commercial District) to eliminate tiering of open space requirements; provide a single requirement, regardless of the number of units.

Current Standard: As shown in Table 3, the CN, CS, and CC(2)/PTOD districts identify tiered standards for open space based on the number of units in the residential project, with a substantial jump for projects with six or more units. The CD-C and CC(2)/PTOD districts tier the standards inversely, with a larger standard for smaller projects, for reasons that are not clear. The existing code provides some flexibility in that usable open space may be provided in any combination of private and common open space. The code also requires a minimum dimension of six feet for private open space and 12 feet for common open space, to ensure that spaces are truly usable. (No changes to these minimum dimensions are proposed.)

Table 3: Existing and Proposed Open Space Standards, by Commercial Zoning District

	CD-C (Downtown)	CC(2)/PTOD (Cal Ave.)	CN District (El Camino)	CS District (El Camino)
Existing Open Space	<5 units: 200 sq. ft./du 6+ units: 150 sq. ft./du	<5 units: 200 sq. ft./du 6+ units: 100 sq. ft./du or less w/BMR units	<5 units: 20 sq. ft./du 6+ units: 150 sq. ft./du	<5 units: 20 sq. ft./du 6+ units: 150 sq. ft./du
Proposed Open Space	100 sq. ft./du	100 sq. ft./du	150 sq. ft./du	150 sq. ft./du
Existing Landscaping (Minimum)	20%	n/a	35%	30%
Proposed Landscaping (Minimum)	No change			

Source: City of Palo Alto Municipal Code and Planning and Community Environment Department, August 2018.

How the Current Standard Affects Development: Layers of development standards make interpreting the City’s code complicated and may reduce the development “envelope” available on a site. While these regulations are based on reasonable community desires (e.g., providing access to light, air, landscaping, and outdoor space), in combination they have the drawback of constricting the developable site area and therefore potential unit yield on a site.

Example Standards from Other Cities

Mountain View: 40 sq. ft./du

Emeryville: 60 sq. ft./du

Redwood City: 300 sq. ft./du

San Carlos: 100 sq. ft./du (private);
15% of site area (common)

Potential Benefits and Impacts: Providing a single standard for each district—regardless of how many units are on the site—simplifies the code and eliminates any bias for projects that are choosing between proposing five or six units. This concept maintains required landscaping areas, reduces the requirement in the Downtown and for small projects on California Avenue District, and increases the requirement for small projects on El Camino Real. Smaller open spaces in the Downtown and California Avenue District reflect higher land values in these

locations and existing access to other amenities include existing parks, streetscapes, and community services.

C. Parking Requirements

Parking supports the convenience of getting to and from work, home, shopping, and other destinations. However, the findings in the Fehr & Peers study suggest that the City's local parking requirements may be set too high for multi-family housing. To better align incentives for residential development, these revisions seek to better match supply with actual demand.

6. Modify PAMC Chapter 18.52 (Parking and Loading Requirements) to adjust parking requirements as follows:

- a. Align multi-family residential parking requirements with anticipated demand based on empirical data (see Table 4)**
- b. Maintain parking requirements for single- and two-family residential uses.**

Current Standard: Parking standards are regulated by use, not district, such that the multi-family residential uses are the same across each residential and commercial district. As shown in Table 4, standards do vary by unit size (i.e., number of bedrooms) and use type (see bullet list below). The one location-based adjustment is for projects in proximity to transit.

As noted in Table 4, specific project types are eligible for reductions:

- Senior Housing: up to 50% reduction, subject to approval of a parking analysis;
- Affordable Housing: up to 40% reduction depending on level of affordability and proximity to transit, support services and traffic demand management (TDM) measures;
- Housing Near Transit: up to 20% reduction with approval of a TDM program;
- Mixed Use Projects: up to 20% reduction with approval of shared parking; and
- These reductions may be combined as long as in total no more than a 30% reduction of the total parking demand otherwise required occurs, or no less than a 40% reduction for affordable housing projects, or no less than 50% reduction for senior housing projects.

TDM plans are required to reduce and manage single-occupant vehicle trips of an applicant in the following circumstances:

- Projects that generate 50+ net new weekday or weekend peak hour trips;
- Projects claiming a reduction in net new trips due to proximity to public transit or the implementation of a TDM plan; and
- Projects requesting a parking reduction, including for affordable housing and housing near transit, as described above.

Table 4: Existing and Proposed Parking Standards for Multi-family Residential Uses

Use/Unit Type	Existing	Proposed	State Density Bonus Law (1)
Studio	1.25	1	1
1-Bedroom	1.5	1	1
2+ Bedroom	2	2	2
Guest	1+10% of total units	included above	n/a
Senior Housing	up to 50% reduction	0.75/unit, plus up to 50% reduction	0.5
Affordable Housing	20-40% reduction	no change to reduction; reserved parking, if provided, limited to 1 space/du to maximize availability	see above
Housing Near Transit	up to 20% reduction	no change	0.5-1
Mixed Use Projects	up to 20% reduction	no change	n/a

(1) SDBL defines housing near transit; where ranges are reported, ratio depends on bedroom count.

Source: City of Palo Alto Municipal Code and Planning and Community Environment Department, August 2018; Fehr & Peers, City of Palo Alto Multi-Family (Rental) Residential Development Parking Rate Study, July 2018.

The following Housing Element policy supports Idea #6:

Policy H3.3.7: Prepare a local parking demand database to determine parking standards for different housing uses (i.e. market rate multifamily, multifamily affordable, senior affordable, emergency shelters etc.) with proximity to services as a consideration. Adopt revisions to standards as appropriate.

How the Current Standard Affects Development: According to developers and architects that are active in Palo Alto, parking requirements are one of the standards with the greatest effects on site planning and creating viable projects in Palo Alto due to a combination of required number of spaces, drive aisle width, and back-up distance. These stakeholders believe that the City's multi-family housing parking ratios require parking supplies that exceed demand.⁹

These qualitative findings are corroborated by quantitative analysis. The City engaged Fehr & Peers, a transportation consulting firm, to conduct a study of parking demand in multi-family rental developments in Palo Alto. These developments included market rate, affordable, and senior housing projects at sites located at varying distances to transit. The updated report is included as Attachment C.

The study observes the following trends:¹⁰

- The lowest per bedroom parking demand rates were observed at the senior housing and affordable complexes and the highest at a market rate complex.

⁹ Stakeholder Interview Summary, 2018.

¹⁰ Fehr & Peers. City of Palo Alto Multi-Family (Rental) Residential Development Parking Rate Study. July 2018.

- Nearly all of the sites surveys have fewer parking spaces than are required by the code (based on code-permitted reductions); yet supply still exceeds demand.
- Parking requirements exceed peak parking demand in the developments surveyed.

Potential Benefits and Impacts: Finding the right balance between parking demand and supply helps to ensure sufficient parking availability, without causing spillover impacts into surrounding neighborhoods. Housing developments that have more parking than is needed add unnecessary construction costs and therefore contribute to the cost of housing. Efforts to better align parking to housing type, proximity to transit, and geography, could reduce these costs and increase housing opportunities without impacting surrounding neighborhoods from spillover parking. Coincidentally, these parking requirements are generally in line with State Density Bonus Law parking allowances, as shown in Table 4.

While unbundled parking—where parking spaces are required to be leased separately from units—is often used as a way to discourage car ownership or attract tenants that do not own cars, it is not proposed here. Due to community concerns about spillover parking onto the street, the City’s policy should not discourage tenants from parking within their residential complex.

Aligning supply and demand would help set the right amount of parking based on use and location, and free up space to be used for additional housing units, community space, or other amenities.

7. Modify PAMC Chapter 18.52 (Parking and Loading Requirements) to exempt the first 1,500 sq. ft. of ground-floor retail from parking requirements citywide to relieve physical and financial constraints of providing retail.

Current Standard: Most residential uses are required to be part of mixed use developments in the CD-C, CC(2), CS, and CN districts. Typically, this commercial component is ground floor retail use, given the Retail Preservation Ordinance and especially, given retail requirements of the GF combining district. The parking requirements for ground-floor retail are as follows for citywide locations, Downtown, and California Avenue:

- Retail: 1/200 – 1/350 sq. ft.
- Eating and Drinking Services: 1 space for each 60 gross sq. ft. of public service area, plus 1 space for each 200 gross sq. ft. for all other areas.
- California Avenue Assessment District: 1/240 to 1/350 spaces/sq. ft. for retail and 3/100 to 1/155 spaces/sq. ft. for Eating and Drinking Services
- Downtown Assessment District only: blended rate of 1/250 sq. ft. for all non-residential uses

How the Current Standard Affects Development: According to the stakeholder interviews, provision of parking for the commercial portion of mixed use residential buildings can be

challenge to making a project viable.¹¹ Assuming a typical, moderately-sized 2,000-square foot tenant space, these parking requirements would necessitate six to ten spaces for a retail tenant and 24 spaces for a sit-down restaurant tenant (assuming 60% of the tenant space is used for public service). Given parking dimension requirements in Section 18.54.070 of the City's code, as well as drive aisle and backing out requirements (totaling approximately 300 square feet/space), a 2,000-square foot tenant space could necessitate an additional 1,700 to 7,000 square feet of area to accommodate these parking needs depending on the use and parking configuration—potentially more than two or three times the size of the tenant space itself. Structured parking areas are generally not leasable area, and therefore take the place of space that could be used for leasable retail, residential, or other uses.

Potential Benefits and Impacts: Exempting a portion of ground-floor retail from parking requirements would help to relieve physical and financial constraints, and instead provide an incentive for including retail uses in a project. This concept minimizes spillover parking impacts by limiting the exemption to 1,500 sq. ft. (which could equate to four spaces for a retail use to 18 spaces for a high-intensity eating and drinking establishment).

D. Project Review Process

How a use is approved by the City, whether it is permitted through an administrative (staff-level) approval or a public review process, can present an incentive or disincentive to its development. These revisions seek to streamline the review process, while still providing opportunities for public and decision-maker input.

- 8. Modify PAMC Chapters 18.16 (Neighborhood, Community and Service Commercial District) and 18.18 (Downtown Commercial District) to eliminate Site & Design Review with the PTC and Council for residential and residential mixed use projects:**
 - a. Require Architectural Review by the Architectural Review Board.**
 - b. Maintain staff review, and the noticing and appeal hearing process to provide opportunities for public input.**

Current Standard: Currently, residential mixed use projects of ten or more dwelling units in the Downtown and on El Camino Real require Site and Design Review which includes design review by the Architectural Review Board (ARB) and PTC, who each make a recommendation to the City Council.

Residential Design Review Process

Downtown and El Camino Real (CD-C, CN, CS):

- Mixed use projects with fewer than 10 units: Architectural Review w/ ARB
- All other projects: Site & Design Review w/ PTC, ARB, and Council

The Architectural Review process includes consideration of a project with respect to Context-Based Design Criteria that seek to address the following items when reviewing proposed development:

¹¹ Stakeholder Interview Summary, 2018.

- Relationship between the site's development to adjacent street types, surrounding land uses, and on-site or nearby natural features;
- Scale and mass consistent with the pattern of achieving a pedestrian oriented design;
- Design that promotes pedestrian walkability, a bicycle friendly environment, and connectivity through design elements;
- Usable open space for residents and visitors; and
- Parking areas that do not overwhelm the character of the project or detract from the pedestrian environment.

Site and Design Review is also used to evaluate projects in environmentally sensitive areas. Development east of Highway 101 is subject to the Site and Design Review provisions of the zoning code, including performance criteria related lighting, noise, and landscaping. These criteria and the review process with decision-makers aim to maintain and restore environmental quality of the Baylands, ensure fencing, signage, materials and colors are compatible with the area, and preserve views of the horizon line.

How the Current Standard Affects Development: The public review process provides opportunities for community input and feedback from decision-makers, but also adds time, expense, and uncertainty from the perspective of applicants, which may affect their decision to pursue a development in Palo Alto.

The combination of Site & Design Review and Architectural Review requires at least three meetings, though five meetings are typical for substantial projects. Applicants can expect this process to take 9 to 15 months; then, they can start the building permit review process. One exception to this procedure is for residential mixed use projects with nine or fewer units, which only require Architectural Review by the ARB (at least one meeting, though three meetings are typical for substantial projects).

Potential Benefits and Impacts: Streamlining the review process by maintaining Architectural Review and eliminating Site & Design Review would maintain opportunities for public input and maintain project review of context-based design criteria, but eliminate the burden placed on projects to undergo review by three separate bodies. Opportunities for appeal would be maintained.

- 9. Modify PAMC Chapter 18.16 (Neighborhood, Community and Service Commercial District) to incorporate bonus height and density provided in Chapter 18.34 (Pedestrian and Transit Oriented Development [PTOD] Combining District) for certain types of projects:**
 - a. 100% affordable housing projects at a maximum of 80% of Area Median Income (excluding manager's unit and any incidental community, non-profit, or commercial retail space)**

Current Standard: Around the California Avenue District, if property owners want to increase the intensity of a site and pursue the PTOD overlay, first they must undergo a rezoning to define the uses and intensities. The overlay application is reviewed and approved by the PTC and Council. Concurrently, the ARB conducts Architectural Review of the project design.

California Avenue CC(2)/PTOD Process

- Rezoning to PTOD: PTC recommends and establishes limits on allowable or required uses, and intensity.
- Council approves rezoning
- Major architectural review w/ ARB

How the Current Standard Affects Development: To pursue this process, at a minimum, there are three public meetings, though again, five meetings could be expected. Only two applicants have sought out this rezoning since its inception in 2006 and the resulting projects provided very few housing units (a total of 12 dwellings).

Potential Benefits and Impacts: This concept aims to allow 100% affordable housing projects at a maximum of 80% of Area Median Income to receive the density and height benefits of the PTOD designation by right. In other words, this density and height increases would be codified in the base zoning district rather than requiring a separate legislative action by the PTC and Council to apply the overlay.

The Architectural Review process by the ARB would be maintained to allow opportunities for public input and maintain project review of context-based design criteria. However, the process would provide an advantage to affordable housing projects by eliminating the burden of legislative action. Opportunities for appeal would be maintained.

Notably, for a project proposing bonus density under State Density Bonus Law, this would increase the FAR for the base project on which the bonus density is assessed, such that FAR could be somewhat higher for a density bonus project. Likewise, this would increase the maximum FAR allowable for a project seeking streamlined review under SB35, which requires a City to ministerially approve projects that are consistent with the zoning code and that meet certain affordability requirements.

E. Use Regulations/Mixed Use Requirements

Residential uses are generally only permitted as part of mixed use developments in the Downtown, California Avenue, and many places along El Camino Real. This presents a challenge to affordable and market-rate housing developers who are not in the retail business from both financial and physical development standpoints. While ground-floor retail has been identified as a clear priority by the City Council, these revisions seek to identify project types and locations where 100% residential projects could be prioritized.

10. Consider modifying Chapter 18.40.180 (Retail Preservation) to exempt the following types of projects from the Retail Preservation Ordinance:

a. 100% affordable projects (excluding manager's unit)

Current Standard: In 2017, the City Council adopted a Retail Preservation Ordinance that protects retail and retail-like uses from conversion to non-retail uses on a citywide basis. The purpose of the ordinance is to retain neighborhood-serving retail for residents, avoid the loss of sales tax revenue, prevent the higher lease rates from office uses from driving up lease rates for retail uses, and prevent private ground-floor office uses from detracting from neighborhood retail environments.

In general this means that retail space must be replaced on an equal square foot basis when a property redevelops. The zoning code allows for waivers and adjustments, subject to approval by the Planning Director, for reasons of economic hardship or demonstration of an alternative viable active use.

How the Current Standard Affects Development: According to market rate and non-profit developers, retail requirements can present a challenge to affordable and market-rate housing developers who are not in the retail business—from both a financial standpoint—their financing often does not include commercial development—and physically, since retail and residential have different building code requirements, necessitating additional ingress/ egress, mechanical and plumbing systems, and separate access and circulation for residents' security. These factors can reduce residential unit yield on a given site, which makes a project more expensive and therefore reduces affordability.¹²

Staff and consultants conducted 24 informal interviews between November 2016 and January 2017 with developers/property owners, small retail/personal service business owners or store managers, architects, and residents to solicit feedback on retail preservation policies. Many stakeholders tended to favor more flexibility in finding tenants, based on current market conditions, and expressed concern about a proliferation in vacant spaces. Several stakeholders thought that protections should only be placed on University Avenue and the intersecting side streets Downtown and potentially on California Avenue, where the retail markets are strongest. Property owners



801 Alma, a 50-unit affordable housing development, was originally conceived to include ground-floor retail. However, the financing and logistics proved too complicated; ultimately, a 100% residential project was approved and constructed.

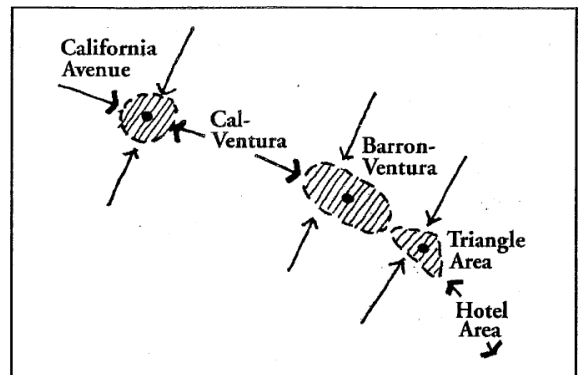
¹² Stakeholder Interview Summary, 2018.

and developers interviewed and/or who had requested waiver/exceptions have identified challenges in leasing retail spaces in less prime locations, including areas further from the main corridors of University Avenue, and on El Camino Real, despite at times lowering lease rates.¹³

Potential Benefits and Impacts: These retail protections have the benefit of preventing the conversion of retail uses and therefore preclude office uses from occupying these spaces, which was a key intent of the ordinance. However, the ordinance has an unintended consequence of preventing ground-floor residential uses where they may be viable and in some cases a better use than retail. Retail protection and affordable housing production are two key policy priorities in the city. To balance this tradeoff, this idea would provide a narrow exemption of the Retail Preservation Ordinance for affordable housing developments on sites outside of the GF overlay Downtown and which do not front California Ave.

- 11. Consider modifying PAMC Chapters 18.40.180 (Retail Preservation) and 18.16 (Neighborhood, Community and Service Commercial District) to allow 100% residential uses on El Camino Real between commercial nodes, consistent with the South El Camino Real Design Guidelines:**
 - a. Provide standards/guidelines for how to maintain ground-level interest**
 - b. Consider exempting these sites from the Retail Preservation Ordinance**

Current Standard: Use regulations in the zoning code generally only permit multi-family residential uses as part of mixed use developments in the Downtown, California Avenue, and many places along El Camino Real. The requirement for mixed use was a result of a fairly recent zoning text change; previously, multi-family residential housing use was allowed as a stand-alone use in some commercial zones, such as the CS zone along El Camino Real.



The Housing Element provides support for high density nodes, though it is not explicit about types of uses. The Comprehensive Plan identifies an approach that is potentially inconsistent with the idea proposed here:

Policy L-4.4: Sites within or adjacent to existing commercial areas and corridors are suitable for hotels. Give preference to housing versus hotel use on sites adjacent to predominantly single-family neighborhoods.

Program H2.1.10: As a part of planning for the future of El Camino Real, explore the identification of pedestrian nodes (i.e. “pearls on a string”) consistent with the South El Camino Design Guidelines, with greater densities in these nodes than in other areas.

South El Camino Real Design Guidelines’ nodes and corridors concept

¹³ City of Palo Alto. City Council Staff Report: Retail Preservation Ordinance (First Reading). February 13, 2017 <https://www.cityofpaloalto.org/civicax/filebank/documents/55798>

How the Current Standard Affects Development: See Idea #10 above.

Potential Benefits and Impacts: The South El Camino Real Design Guidelines acknowledge that a continuous pedestrian-oriented environment along the 2+-mile corridor of El Camino Real is unrealistic.¹⁴ Instead, the guidelines describe a “node” concept to focus investment in areas with existing pedestrian amenities, retail uses, and good transit access.

To create an attractive, active appearance for residential development on the ground-floor, while also maintaining privacy for residents, design standards and guidelines would be required. For examples, lobby, stoops, community spaces, and work-out spaces could be located on the ground floor to create visualize interest; individual units would not be permitted to front El Camino Real.

F. Other Ideas Contemplated

Staff presents additional ideas for the PTC’s consideration below to facilitate Work Plan and Comprehensive Plan goals. The PTC has either reviewed these ideas at a cursory level or not at all. Some of these ideas would take more research and work on the part of staff and consultants than can be completed before year’s end when the subject ordinance is slated for approval. Staff is looking to gauge the Commission’s interest in carrying any of these ideas forward for inclusion in a future ordinance.

12. Waive fees for developments that include at least 10% of housing units designated for individuals/households with special needs at below-market levels.¹⁵

The City already exempts 100% affordable housing projects and below-market rates units beyond City requirements from various development fees: all development impact fees, including new parks, community facilities, and traffic fees. Based on the City’s current fee schedule, these fees total \$12,783 per multi-family unit.¹⁶ This idea seeks to create an incentive for below-market rate units for households with special needs by expanding the fee exemption. For a 30-unit development, this could save a project, \$383,500.

13. Modify PAMC Chapters 18.16 (Neighborhood, Community and Service Commercial District) and 18.18 (Downtown Commercial District) to provide a bonus of up to 0.75 FAR and 10 feet of building height in the CD-C, CC(2)/PTOD and a bonus of up to 0.5 FAR in CN and CS districts on Camino Real, only for the following project/property types:

a. 100% affordable housing projects (excluding manager’s unit)

¹⁴ City of Palo Alto. *South El Camino Real Design Guidelines*. May 2012: 13.

¹⁵ The Housing Element defines special needs groups as including disabled households, senior households, female-headed households, single-parent households, large family households, overcrowded households, farm worker households and homeless. City of Palo Alto. *2015-2023 Housing Element*. November 10, 2014: 28.

¹⁶ City of Palo Alto. *Development Impact and In-Lieu Fees*. July 1, 2018.

b. Consolidation of two or more lots resulting in a parcel in excess of 10,000 square feet, but no more than 0.5 acres, to enable the residential development of small sites.

Current Standard: Currently, the primary way for an affordable housing development to obtain a density and/or height bonus is to propose a project under State Density Bonus Law. Existing height standards are shown in Table 5; density and FAR standards are shown in Table 2, above.

According to stakeholders and the Downtown Development Cap residential analysis, development is often limited by parcel size.¹⁷ Standards such as setbacks and open space that require specific numerical metrics (e.g., 10 foot rear setback) affect small sites more acutely. As noted in the study, many multi-family residential development examples found in the market are located on large parcels, of which there are few remaining.

The following Housing Element policy supports this idea:

H2.1.6: Consider density bonuses and/or concessions including allowing greater concessions for 100% affordable housing developments.

Table 5: Existing Height Standards, by Commercial Zoning District

Standard	CD-C (Downtown)	CC(2)/PTOD (Cal Ave.)	CN District (El Camino)	CS District (El Camino)
Maximum Height (feet)	50	40 (or 50 w/ BMR units or hotels)	40	50
w/in 150' of res. zone	40	n/a	35	35
Abutting RM-40 or res. PC	50	n/a	35	50

Source: City of Palo Alto Municipal Code, August 2018.

How the Current Standard Affects Development: Stakeholders acknowledge that small sites can be difficult to develop since they cannot always achieve a unit yield that makes a site viable for development. Stakeholders expressed reluctance to propose projects under State Density Bonus Law, for fear that higher densities and heights would not be supported; rather, they generally prefer to propose projects that are consistent with the zoning code in order to move through the entitlement process more quickly.¹⁸

Potential Benefits and Impacts: Assembling parcels is challenging in Palo Alto, given the price of land and disparate ownership stakes throughout the city. An FAR of 0.5 to 0.75 and/or 10-foot height bonus would allow for an additional floor of residential development and may provide a real incentive to complete a deal for a site that is appropriate for development.

Notably, for an applicant proposing a bonus density under State Density Bonus Law, this would increase the FAR for the base project on which the bonus density is assessed, such that FAR could be even higher for a density bonus project. Likewise, this would increase the maximum

¹⁷ Dyett & Bhatia and EPS, 2007.

¹⁸ Stakeholder Interview Summary, 2018.

FAR allowable for a developer seeking streamlined review under SB35, which requires a City to ministerially approve projects that are consistent with the zoning code and that meet certain affordability requirements.

To alleviate concerns about heavy massing on small sites, and related traffic and parking concerns, the lot consolidation incentive is bracketed to encourage assembly of sites that results in a site greater than 10,000 sq. ft., but no more than 0.5 acres in size.

According to stakeholders, on El Camino Real, it is challenging for residential developers to get to the height limits of 40 and 50 feet in the CN and CS districts, respectively, based on the 50% lot coverage limit and the FAR limits of 0.5 and 0.6, respectively. Allowing an additional 0.5 FAR for these specific types of projects could allow a developer to actually achieve the height limit allowed, while not affecting daylight plane and other height requirements adjacent to residential zones.

These changes could facilitate the development of sites that are currently non-viable for residential projects based on their small size and unit yield, in addition to affordable housing project specifically.

14. Within one-half mile of a fixed rail station, count multi-family residential uses or the residential component of a mixed use development at 50% square footage (i.e., effectively doubling the FAR). Notably, a project would still need to fit within the envelope determined by other required development standards.

This new idea seeks to provide an incentive for residential use over the development of office or other non-residential uses. Offering double FAR can help to overcome the lower construction costs and higher lease rates of office uses.

15. Modify the Workforce Housing Overlay to accommodate a potential teacher housing project.

This idea would need to be explored further as the potential project progresses.

16. Consider allowing residential uses to pay a fee in lieu of providing parking on site:

- c. Consider allowing housing developments to participate in the in-lieu parking program for the Downtown Parking Assessment District.**
- d. Consider establishing a parking in-lieu fee program for California Avenue.**

The City's district regulations create some bias toward development of non-residential uses over residential uses. In terms of parking, non-residential uses have the option of paying into the Downtown Parking Assessment District in lieu of providing parking on site. Given the high cost of land and the value of office lease rates, developers often choose to pay into the District and maximize their leasable area. Residential uses do not have this option.

Commissioners have expressed mixed support for this idea. Additionally, some stakeholders have suggested that the current in-lieu fee would be too high for a residential developer to bear and would need to be reduced from \$70,094/space in order to be a viable option. A similar parking in-lieu fee could be developed for California Avenue for both residential and non-residential uses.

Relationship to Housing Work Plan/Council Referral

The table below analyses how each of the ordinance framework items fits into the Housing Work Plan referral to the PTC.

Table 6: Relationship between Work Plan Items and Proposed Ordinance Framework

Ordinance Framework Ideas	Work Plan Items Referred for PTC Input
	2.4 Provide incentives and remove constraints for multifamily housing in the Downtown (CD-C), Cal Ave (CC(2)/PTOC), and El Camino Real (CN and CS) districts, including:
#4: Allow rooftop gardens to qualify as usable open space #5: Simplify open space standards	2.4.1 Review and revise development standards (e.g. landscaping, open space)
#1: Eliminate residential density standards in the CD-C, CC(2), CN, CS, and PTOD districts	2.4.2. Consider eliminating dwelling unit densities and relying on FAR and average unit sizes
#10: Provide exemptions from the Retail Preservation Ordinance for 100% affordable projects #11: Allow 100% residential projects on El Camino Real, outside activity nodes	2.4.3 Review and revise permitted uses and use mix (e.g. allow 100% residential w/ground floor retail)
#8: Eliminate Site & Design Review #9: Streamline PTOD regulations for 100% affordable projects	2.4.4 Review and revise level of permitting and plan review required
*16: Allow residential uses to pay a fee in lieu of providing parking on site in Downtown and California Ave. *Other: Transportation Division staff are currently updating guidelines for administering, monitoring and enforcing TDM programs	2.4.5 Allow parking reductions based on TDM plans and on payment of parking in lieu fees for housing (Downtown and Cal Ave). Update the TDM Ordinance to the extent that it does not already include metrics of measurements, accomplishments, and enforcement, include these metrics.
#3: Allow residential development to utilize all existing FAR allowance	2.4.6 Convert some non-residential FAR to residential FAR
*#12: Waive fees for special needs housing *#15: Modify Workforce Housing Overlay to accommodate a potential teacher housing project	2.4.7 Remove constraints to special needs housing
*#13: Provide density bonuses for 100%	2.4.8 Increase Floor Area Ratio (FAR) in the

Ordinance Framework Ideas	Work Plan Items Referred for PTC Input
affordable projects and lot consolidation *#14: Provide bonus density for all multi-family residential projects	Downtown, California Avenue, and El Camino Real areas
#2: Modify residential density standards in the RM-15 district	2.5 Support multifamily housing in the multifamily (RM) zoning districts by: i. Consider establishment of minimum densities in all RM zones ii. Allow redevelopment (replacement) of existing residential units on sites that are nonconforming because of the number of units or FAR
	2.6 Provide incentives and remove constraints in all zoning districts, including:
#6: Adjust parking requirements based on empirical study #7: Exempt 1,500 s.f. of ground floor retail parking	2.6.1 Adjustment to parking requirements to reduce costs (based on an ongoing study of parking demand by housing type and location); identify the appropriate amount of parking for various housing types and locations, taking into account parking mitigations

* = Ideas listed as “Other Items for Consideration” above which would need to be pursued through separate initiatives or ordinance due to time, resource, or other constraints.

Source: Palo Alto Planning & Community Environment, August 2018

Environmental Review

The City Council certified a Final EIR (http://www.paloaltocompplan.org/wp-content/uploads/2017/08/PaloAltoCompPlanFEIR_Aug2017.pdf) on November 13, 2017 to analyze potential impacts associated with the updated Comprehensive Plan. The 2018 Comprehensive Plan Implementation and Housing Ordinance will be evaluated pursuant to the California Environmental Quality Act (CEQA) once a draft ordinance is prepared. It is anticipated that the Ordinance will be consistent with the Comprehensive Plan and its Final EIR. At this time, no substantially greater or more severe impacts are anticipated and no development is proposed, beyond what is allowed by the Comprehensive Plan.

Next Steps

An anticipated timeline for development of the ordinance is provided in the table below.

Table 7: Project Timeline

Meeting Type	Topic	Date
PTC Study Session	Review objectives for housing work plan and city council direction	March 14 (completed)
PTC Study Session	Overview of issues, including key findings from an analysis of residential capacity in Downtown	April 25 (completed)

PTC Study Session	Parking, including key findings from an analysis of residential parking demand	May 30 (completed)
Community Meeting	Present and receive feedback on ordinance framework ideas	June 28 (completed)
PTC Study Session	Framework for ordinance	August 29
ARB Hearing	Review of rooftop open space design standards	September 20
PTC Hearing	Review Draft Ordinance	September 26
PTC Hearing (continued, if needed)	Recommendation on Draft Ordinance (as revised)	October 10
City Council Hearing	Draft Ordinance (First Reading)	November 13

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Attachments:

- Attachment A: Housing Work Plan_Stakeholder Summary (DOCX)
- Attachment B: Housing Work Plan_Community Open House Summary (DOCX)
- Attachment C: Revised Multifamily Parking Report (PDF)
- Attachment D: Massing Studies by Use (PDF)

¹⁹ Emails may be sent directly to the PTC using the following address: planning.commission@cityofpaloalto.org

City of Palo Alto - Housing Work Plan

2018 Comp Plan/Housing Ordinance

STAKEHOLDER INTERVIEW SUMMARY

This memo summarizes findings from 16 stakeholder meetings (22 individuals) conducted in April and May 2018. The list of stakeholders is provided in Appendix A. An overarching summary and key findings by topic are provided below, along with excerpted quotations from the interviews.

SUMMARY OF FINDINGS

Generally, stakeholders agreed with the direction of the Council referral, including streamlining the review process and reducing zoning constraints. Density and parking were cited as the major constraints to configuring a site in terms of site planning, massing, and the number of units attainable. There was a general sense that the current zoning does not support the City's stated goals of multifamily housing, and a recommendation that the City instead allow the types of developments that it wants "by right" and/or through modifications to density, parking, and related standards. Stakeholders expressed frustration about the length of time the entitlement process takes due to multiple reviewing bodies and instead recommended having one review body conduct design review based on a clear set of standards.

FINDINGS BY TOPIC

The following represent key findings from the stakeholder meetings. Unless otherwise indicated, these findings represent areas of consensus and/or reflect the perspectives of the majority of stakeholders.

Development & Design Standards

- Need more zoning flexibility, especially on small sites
- There is no zoning designation that allows multifamily residential development at an economy of scale; sites are too small or standards do not allow viable densities
- Parking and floor area ratio tend to be the development standards that are the most limiting to site planning and unit yield
- FAR is more relevant than residential density; the latter—in addition to parking and other development standards—leads to larger units, which are less affordable; the two standards tend to compete with one another

- Perspectives on height as a limiting factor were mixed—some stakeholders ran into limitations presented by height limits, while others were not able to achieve the height limit due to other development standard constraints; several stakeholders remarked that height can be an issue if they are trying to build a taller first floor height for retail
- Desire for more flexibility in how open space requirements can be achieved—through rooftops, common, or private spaces; noise and screening can be handled
- Densities and heights could be higher along University Ave., California Ave., and El Camino Real; some stakeholders also mentioned Alma Street
- Perspectives on the context-based design criteria were mixed; while some stakeholders find them to be subjective and not necessarily aligned, others think that they provide flexibility for the designer and are not overly prescriptive compared to other nearby communities
- A few stakeholders noted site planning constraints when addressing city transformer location requirements and removal of specimen trees.

Excerpts from the Interviews

“Fundamental issue is disconnect between a desire for housing production in certain locations and what the zoning allows”

“To meet the Housing Work Plan goals, the City needs to make it feasible; currently, it’s not.”

“We don’t have zoning in this town to make multifamily development work”

“Not every unit of housing is the type of housing that you would want to live in, like a micro unit; likewise some people do not want a single-family home with a yard that they have to maintain.”

“We don’t need to build parking for people who don’t have cars”

Parking

- Required parking ratios do not reflect demand
- Parking requirements are high compared to nearby communities and tend to drive site planning, commercial floor area, and unit yield
- Parking ratios should account for proximity to Caltrain stations and reductions for bike parking and shared parking
- Parking requirements should be more flexible in Downtown and Cal Ave. where there is less demand and higher costs; ideas include: shared parking, tandem configurations, off-site locations, allowing projects to pay into the assessment districts and encouraging use of parking lifts
- In addition to the number of stalls required, drive aisle requirements, back-up distances, stall sizes that can make site planning challenging

- Parking becomes a major expense when its required to go underground
- Many people living in multifamily housing use alternate travel modes—Caltrain, Uber, Marguerite shuttle, etc.; they don't need parking spaces

Project Review Process

- Generally, developers try to conform to the zoning standards to avoid any discretionary review, but do not have the sense that it reduces the time it takes to work through the entitlement process
- Planning staff are helpful in helping applicants navigate the entitlement process
- Perspectives on the Architectural Review Board (ARB) review were mixed; while many stakeholders stated that the ARB review tends to be subjective, unpredictable, and does not always provide clear direction, others acknowledge receiving useful feedback
- Hearing process is too long and unpredictable; the back-and-forth between ARB, Planning & Transportation Commission (PTC) and City Council is frustrating and time-consuming; process often leads to arbitrary requests and added requirements
- Commissions have too much discretion about elements unrelated to the code; hearing bodies focus on elements outside their purview
- The entitlement process takes so long that the market has changed 2 to 4 years later; a project may no longer be feasible between changes in the market, construction costs, and additional requirements applied during the entitlement process
- Process is too onerous to go through for small projects; need to have a sizeable project to make it worthwhile
- Staff Department Review Committee happens too early in the process and tends to be boilerplate comments
- On the other hand, pre-application review process and early meeting with the ARB is generally seen as valuable
- Several stakeholders suggested having a staff member act as point person (across departments) to shepherd the project through the entitlement process while staying focused on the big picture project purpose

Excerpts from the Interviews

"I spend 10x time on my Palo Alto project compared to projects in other cities and it's not making the project better [just more expensive]"

"Construction hard costs have gone up 35% since the project started; we're on the fence about whether it made sense to build what's been approved"

Uses, including Retail Protections and Office Market

- Commercial, office and R&D markets are softer than they used to be; housing demand tends not to waver, making it a good long-term investment
- Little desire to participate in office cap contest; office cap may have had an effect on applications, but office market is reaching its capacity
- Ground-floor retail requirements are challenging; reasons cited include: high parking requirements, displaces potential units, hard for affordable housing developers seeking tax credits; changing nature of retail makes finding a viable tenant difficult
- Retail Protection Ordinance does not make sense, since it's not market driven; tenant spaces may stay vacant
- Several stakeholders recommended consolidating retail in key locations, rather than requiring it everywhere

Excerpts from the Interviews

"Residential development doesn't pencil in the Downtown right now: the sites are too small, you need separate egress, stairs, and access to do residential and retail; let residential come down to first floor or office on the ground floor [which pays the rent]"

"Office development is lucrative, but well-capitalized investors don't need a quick return; developers here are in it for the long haul and will respond to the City's pro-housing policies"

Appendix A: Stakeholders Interviewed

1. Architarian Design
2. Bentall Kennedy
3. Center for Continuing Study of the CA Economy
4. Eden Housing
5. FGY (Fergus, Garber, Young) Architecture
6. Golden Gate Homes
7. Hayes Group
8. Lighthouse Public Affairs
9. Mid Pen Housing
10. Palo Alto Housing
11. Sand Hill
12. Sobrato Organization
13. SV@Home
14. Thoits Brothers
15. TOPOS Architecture
16. Windy Hill

City of Palo Alto - Housing Work Plan

2018 Comp Plan/Housing Ordinance

COMMUNITY OPEN HOUSE SUMMARY

This memo summarizes findings from the community open house on housing, held on June 28, 2018 at the Downtown Public Library. Over 30 community members attended the meeting which included a presentation, open house of “idea stations” that allowed participants to interact with staff and other participants one-on-one or in small groups, and a debrief to share community members’ comments.

SUMMARY OF FINDINGS

Participants expressed a range of perspective on housing needs and proposed ideas to spur housing production. There was little consensus about the adopted goals of the Comp Plan, Housing Element and direction proposed in the Housing Work Plan. While some participants supported revisions to development standards and review processes to streamline housing production, others were concerned about impacts of new development on existing neighborhoods, traffic, and services.

Ideas for revisions to parking regulations were the most controversial topic: some participants were concerned that reductions in parking requirements would lead to spillover parking in neighborhoods; others supported requirements that more closely matched demand, especially for populations with lower parking demand such as seniors, homeless, and low income households. There was more consensus about ideas about how to balance housing and retail; participants were generally supportive of allowing more 100% residential projects and letting retail develop where it makes sense (i.e., Downtown, Cal Ave. and other significant corridors or nodes), rather than requiring it everywhere. Likewise, while the majority of participants seemed to agree with ideas for how to streamline project review for projects that were consistent with the zoning ordinance, some participants wanted to maintain the current project review process.

MEETING NOTES

Density and Development Standards

- Support higher density near public transportation
- Consider more multi-generational housing and consider more floor area for that type of housing
- Increase floor area, height, density; especially for Below Market Rate housing but maintain high quality of architecture

- Supportive of higher density but not at the expense of higher parking needs that can't be met or higher open space ratios that can't be met without rooftop open space (note: rooftop open space not great in small lot areas)
- Modify R-1 zoning to have flexibility to construct multifamily project that's walkable to commercial/amenities
- On large residential lots, have incentives to build smaller residential units (i.e. ADU)
- Supportive of height increases – especially for projects with ground floor retail preservation or affordable. President's hotel a great example of high density, taller building that works.
- Rooftop open space
- London – upper most floor has to be available to general public as open space
- Supportive of eliminating density and increasing FAR to allow for more floors
- Use FAR as metric to determine how many units are allowed
- Zone for multifamily and reduced unit sizes for new demographics: fewer 4 or more person families and more 2 or even 1 person households
- Map affordable housing combining district overlay onto candidate areas of city
- Raise height limit! Allow 5 or 6 stories on El Camino. At least 4 stories on corridors. Cal Ave, University, Hamilton, Lytton, Alma. Allow more mass up to 50 or 100 yards in from corridors
- Zone a lot of areas in city to support multifamily. Allow duplexes and triplexes on previously only – R1 lots to help “missing middle”.
- Allow higher FAR for multifamily and main + ADU
- I would support offering bonus for affordable projects especially to meet the needs of Developmentally Disabled
- Support the ideas here, great to offer incentives + bonuses in support of affordable developments or based on percentage/level of affordability
- Density in “transit rich” areas sounds good, but very few Palo Altans would brag that any part of our city (w/possible exception of University Station) is transit rich
- People with intellectual + developmental disabilities would benefit from an incentive to build affordable units for extremely low income individuals, but would need open floor plans to navigate their space

- Stanford GUP updated DEIR shows that residential uses require much more diverse access to other parts of town (school, childcare, grocery, etc.) for which our transit options are meager. How will densities be tied to more appropriate transportation options for residential projects DEIR also concluded that TDM is not very effective for those residential transportation needs. Solving the transportation problem must either precede or go in tandem with dense housing development.
- To encourage housing, don't use 2 standards, FAR + units/acre. Too restrictive. Allow FAR to be the constraint not units/acre. But really need more FAR + height to accommodate more units + affordable units
- Rezone office to housing. Keep 50' height limit and sufficient parking
- Housing in Stanford Research Park and Shopping Center
- Wish there was an opportunity for general public to get a primer on what the impacts of reduced standards are. How can they assess whether certain incentives are worthwhile when they only hear the benefits and not the costs/impacts?
- Why aren't ALL development/density standard reductions tied to PRIORITY project types? Impacts are born by neighbors. Why are zoning "subsidies" offered evenly to all project types, regardless of connection to community needs?
- Against raising 50' height limit in City. Maintain this throughout City. Adding density without adding the proper infrastructures (road improvements, water systems, etc.) – and schools – is bad for everyone.
- Strong housing overlay to incentivize housing development over office. Keep 50' height limit, keep parking

Housing and Retail

- Require housing with commercial development
- Less constraints on 100% affordable residential - No requirement for retail
- Need to be cautious when near Single-Family neighborhood
 - No parking reductions
 - Under parked currently
- Utilize RPP in appropriate places
- It would be preferable to have people live and work in Palo Alto, if not then you can't live in Palo Alto
- Strict monitoring of concessions

- Protect retail
- Exempt parking requirements for commercial use in mixed use
- Encourage mixed use
- Encourage 100% residential
- Discourage exclusive 100% commercial
- Strive for building jobs/housing balance
- Mixed use or small mall between Page Mill and Charleston
- Don't let parking limit housing. Should not be driver
- Increase height max
- Don't support retail that isn't supported by market
- Consider allowing denser residential density in R-1 zoning near transit Community Notes
- Save President Housing!
- Allow more mixed use developments – people living over retail or commercial
- Do not require retail for housing other than in commercial/transit served centers such as Cal Ave, University/Hamilton/Lytton. Do not spread up and down El Camino where retail will increase parking requirements that will escalate cost of housing.
- Limit ground floor retail exceptions to narrowly defined housing affordability @ up to 80% AMI is our most needed supply. Save incentives (form of public subsidy) for most needed housing.
- As we incentivize housing (of any price) via our zoning code, do we have any mechanism to reign it back in if necessary? We went “big” on office last decade and now we've created a new “crisis” for housing. How do we avoid careening from crisis to crisis?
- Do not force retail sake. The market will dictate what works and what will die. Forcing grocery stores as a requirement is not a good idea – College Terrace Market was a prime example. Put retail in the places, not all places
- Compact/dense Housing is needed when office expands.
 - Existing housing needs to be protected because it already houses the mix which is needed for effective balance of skills
 - Does City have interest in retaining existing or only propose new ones?

- Maintain the apartments at the President Hotel
- Be more creative with mix use development
- Strongly support Idea #1 (priority locals for retail). Identify where retail is viable, consider both affordable and market rate housing in entirety on mixed use sites
- Keep the apartments at President Hotel as residential units! They provide retail below, housing for 80+ people and have historic character!
 - YES!!
- I support the Retail Preservation Ordinance. We need to support retail – small business in town. In North Ventura there might be places for 100% residential but not along major roads (Park Blvd.)
- Retail requirements only make sense if the market will support. They required a grocery at College Terrace, no one shopped there it closed. Lack of housing, much more important than forcing unsupported retail.
- Require developers to provide housing for a significant % of new development
- It is my opinion that structures in the City of Palo Alto that fit within the concept and vision of housing and retail should be focused on and guided towards the City's stated goals and visions. Example: Presidential Hotel at 488 University Avenue
 - It has retail
 - It has residential (affordable)
 - It could have a few floors of Hotel. That seems like multi use without compromise!
- If require ground floor retail for affordable housing, must allow more height/mass/units and fund parking and fill funding gaps lost because retail and extra parking eliminate eligibility for tax credits. Same for ground floor office. Eliminate retail/office and "excel" parking requirements for affordable.

Parking Requirements

- Concern about subsidizing public parking when residents don't park in garage or projects do not provide sufficient parking
- Housing people is more important than parking cars
- Need to provide housing and accommodate parking
- Need realistic regulations – don't over park

- Look into incentivize foot traffic residents or individuals who don't use cars to get to work
- Housing for people who don't want to use cars, example: The President Hotel
- Reduce parking
- Concern about spillover parking in neighborhood
- Extremely low income households don't have cars/demand
- Provide transit passes
- Residents parking on-street not in their single-family home garages, reducing parking supply
- Add loading space for Uber/Lyft pick-up for multi-family/disabled housing
- How to deal with rental housing with more than one or two renters – where do 5 renters park? Single vs multifamily
- Please don't pretend poor people won't own cars or won't have visitors
- Yes to using surveyed parking demand rate rather than old numbers!!! For instance, DD only use 3 (including staff & parent use)
- Do not increase parking requirement for residential by requiring ground-level retail except perhaps in retail business centers such as Cal Ave & University/Hamilton/Lytton
- Allow more car share cars (Zip Car) around denser areas of town so families can get rid of their second car
- Don't provide less parking than needed
- How did traffic consultants decide on their recommendations? Did they survey current residents?
- We need to build more for people not for cars. People's habits are and will continue to change. Traditional parking requirements are no longer applicable and severely and negatively affect housing opportunities. Parking needs to be relaxed in the right locations, near transit.
- Understanding impacts on on-street parking is fundamentally important
 - If impact from studied sites is low now, how will that change with cumulative additional demands created by new developments?
 - How does "unbundling" impact up take of on-street parking use? doesn't it incentivize on-street parking?

- Parking study should also account for overlap of parking claims?
 - Can a tenant reject unbundled parking cost in favor of an RPP permit?
 - Do they claim both?
- Parking permit programs for new development areas:
 1. People parking for their job will take fewer spaces that belong to residents
 2. Residents will have to think about owning 2-3 cars because they need to pay \$X per year for each car. This is especially true for developments near public transportation
- How is it possible to expand Commercial & Retail and not provide an abundance of parking?
 - Answer: provide mass transit from choke points:
 - Provide an abundance of Uber/Lyft/pickup transitional transit
 - On call services?
 - Reducing lanes does not work. But continues traffic jam longer/smog
- Don't change parking requirements. I live in a multi-residential complex at Cal Avenue – we need more parking – not less! We need at the very least one parking space for every unit
- The City should care more about housing humans than cars. The City should make walkable communities that have higher density housing near transit. Disincentivise car ownership by charging for parking. Free parking adds to traffic and is bad policy
- No! Have you been to Los Robles Avenue after Buena Vista put requirements on resident parking? The street is full of cars for blocks in either direction
- Parking requirements keep Palo Alto from meeting its housing goals
- Free parking for all developments. Residents should not have to pay for more under parked projects
- Explore disincentivizing driving

Project Review Process

- Combine roles of ARB and PTC and ensure no loss of oversight
- Yes, do things to help housing to move through the process faster
- Yes, but make sure that it is for projects that are increasing housing supply (more units than any lost onsite)

- Please consider ways of not promoting displacement of existing residents (ex, President Hotel)
- PTOD projects can be helpful to individuals with developmental disabilities who are extremely low-income and rely on public transportation
- Think about those with disabilities who may benefit from PTOD housing
- Send notices on new housing projects to people on the affordable housing waiting list
- Streamline and speed up review of single-family housing
- 4 years is too long! Just ARB is good because they get into site and design too! Most projects have many hearings anyway!
- Yes to PTOD bonus for affordable housing. Also allow for project with say, 50% VLI or ELI
- If ADU's are actually a priority reduce fees and process so average homeowners can feasibly build them
- Give developer the option for one-stop or multi-step process
- Streamlining approval of housing is important to meeting goals of adding to PA's housing stock market rate and affordable
- Providing incentives for affordable developments (include 100% affordable) to streamline or increase density is important
- Streamlining should be careful not to hurt neighbors or quality
- Allow 4 families to purchase a tear down single-family home and build a 4-unit condo together. Change zoning near train stations to allow these
 - $\$3\text{M teardown} + \$2\text{M to build 4 units} = \$5\text{M}/4 \text{ families} = \$1.25\text{M}/\text{family} = \text{attainable housing!}$
- Streamline even more – still a hard process for projects to get through!
- Speed up the review process for residential developments that increase supply
- Increase barriers for development that eliminates or decreases housing supply
- Do reduce process requirements. If project meets zoning, facilitate speed
- Developers want new process – better process
- Look at bigger picture – 3 boards is a lot – but we do good things!
- Support streamlining so long as no big downside to quality of development. Still needs to meet zoning

- Process is intimidating – not incentivizing! Need constructive, focused criticism process
- Does City concern itself with existing dense housing which could be changed for Commercial/Hotel/Office? If 2nd story gets a special review why does city architect gets to dictate only his ideas, shouldn't he be a local architect retained?
- #1 NO!! Process should not be eliminated!!
- No, absolutely not! This attempts to subvert feedback and review at the expense of developer expedience. What projects would actually benefit?
- Eliminate process! Good authoritarian IDEA. Trump would agree
- Streamlining the review process strictly for the benefit of developers is bad. The City should be serving its residents first. Citizen input is vital on projects that affect their neighborhood
- No on #2 (PTOD by right). Important for people to input on PTOD projects – not by right

Other

- Need more senior housing
- Displacement is a concern of people with disabilities
- Prioritize housing for people that live and work in Palo Alto
- Stronger tenant laws
- City needs to stand behind tenants
- Rent control & stabilization
- Rental units
- Affordable housing preservation
- Please for “In-laws” and ADU’s lowering the cost of putting in sewer lines, etc. that can be actually “add-ons” to existing. \$20,000 many years ago stopped my mother from completing an ADU which a family member could be using now. \$20k is too HIGH we don't have it!

City of Palo Alto

**Multi-Family Residential Development
(Rental) Parking Rate Study**

Prepared for:
City of Palo Alto

August 2018

SJ16-1668

FEHR  PEERS

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Executive Summary

Fehr & Peers conducted this study to provide the City of Palo Alto with parking demand rate data for rental multi-family residential developments (apartments) including market rate, affordable, and senior housing projects at sites located at varying distances to fixed rail transit stations and/or major bus routes. The following was observed regarding the nine sites in Palo Alto and the survey results:

- The Affordable Housing complexes have a higher proportion of two and three-bedroom units, the Market Rate complexes generally have more one-bedroom than two+ bedroom units, and the Senior Housing complexes are comprised of primarily one-bedroom units.
- On a per-unit basis, the lowest parking demand rates were observed at the Senior Housing complexes and the highest at Affordable Housing complexes. On a per bedroom basis, the Affordable and Senior Housing sites had comparable rates while Market Rate units had the highest rates.
- Resident experiences at The Marc indicate that residents prefer to park at the apartment complex instead of on the street and that residents view having available parking/empty spaces any time of day as the “right amount of parking.” (Therefore, a complex where the supply is closer to the peak demand may be viewed as having “too little” parking since vacant spaces may be hard to find or inconvenient.)

Fehr & Peers used the survey results to develop parking supply rates. A conservative approach was taken to develop the rates to reflect community concerns regarding neighborhood parking intrusion.

Affordable Housing:

- 1.0 parking space per studio and per 1-bedroom unit
- 2.0 parking spaces per 2-bedroom or larger unit

Reserved parking, if provided, could be limited to one space per unit to maximize parking space availability.


Market Rate Housing:

- 1.0 parking space per studio and per 1-bedroom unit
- 2.0 parking spaces per 2-bedroom or larger unit

Reserved parking, if provided, could be limited to one space per unit to maximize parking space availability.

Senior Housing:


- 0.75 spaces per unit



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1. Introduction

This study was conducted to provide the City of Palo Alto with parking rate data for rental multi-family residential developments (apartments) including market rate, affordable, and senior housing projects at sites located at varying distances to fixed rail transit stations and major bus routes. This study includes information from available reports, documents, studies, and the results of surveys conducted as part of this study. Fehr & Peers obtained the results of previous surveys conducted at various apartment complexes in the South Bay, and included them for informational purposes. Parking supply rates based on the Palo Alto survey results are provided at the conclusion of this report.



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2. Available Reports and Studies

Fehr & Peers reviewed several reports and studies that included parking demand rates for multi-family market rate, affordable, and senior residential developments in the Bay Area near rail stations (Caltrain, Bay Area Rapid Transit (BART), and light rail transit (LRT)). Industry standard parking generation sources and studies from Los Angeles and San Diego that include parking data for affordable housing were also reviewed. These reports and studies are:

- Santa Clara Valley Transportation Authority's (VTA's) A Parking Utilization Survey of Transit-Oriented Development Residential Properties in Santa Clara County
- Metropolitan Transportation Commission's (MTC's) Reforming Parking Policies to Support Smart Growth
- Transform's GreenTRIP Parking Database
- Robert Cervero, et al, University of California Transportation Center, UCTC Research Paper No. 882 Are TODs Over-Parked?
- Los Angeles Department of City Planning's Local Trip Generation Study
- City of San Diego's San Diego Affordable Housing Parking Study
- Institute of Transportation Engineers, Parking Generation, 4th edition

These reports and the general results that are applicable to parking demand rates for the City of Palo Alto are summarized in the following sections.

A Parking Utilization Survey of Transit-Oriented Development Residential Properties in Santa Clara County

This research project was completed by Santa Clara Valley Transportation Authority (VTA) and San Jose State University in 2010. Twelve TOD residential properties near light rail and Caltrain stations in Santa Clara County were surveyed as part of the study. (A table from this report summarizing the results included in **Appendix A.**) The study does not specify whether the surveyed properties are market rate, affordable, or senior housing; it is likely that they are market rate properties. The parking supply rates ranged from 1.31 to 2.31 spaces per unit with an average of 1.68 spaces per unit, whereas the peak parking demand rates ranged from 0.84 to 1.54 spaces per unit with an average of 1.31 spaces per unit. The study found that the parking supply exceeded the parking demand at every site surveyed indicating that the code requirements for the city they are located in may be too high. This research project shows overall that parking demand at residences near a transit station is less than current zoning code requirements.



Reforming Parking Policies to Support Smart Growth

The Metropolitan Transportation Commission (MTC) developed this handbook to help city officials, politicians, and planners with the planning and implementation of parking policies and programs that will support transit-oriented development (TOD). The document is intended to allow users to explore potential parking strategies that have been shown to work in different types of communities, identify best practices about policies and programs, and establish implementation guidelines to best gain the support of the public. It includes representative parking requirements for four types of land uses in five different location types. The rates for residential units in suburban centers/town centers range from 1.00 to 1.50 spaces per unit. Although the report does not differentiate among market rate, affordable, or senior housing, it is likely that these rates are for market rate properties.

TransForm's GreenTRIP Parking Database

TransForm's GreenTRIP Parking Database (<http://database.greentrip.org/>) is a compilation of data gathered at approximately 80 multi-family residential sites in the San Francisco Bay Area. It includes the building location, place type (e.g. transit town center or city center), type of residence (family, senior, diverse abilities, condominium), percent of units below market rate, number of units, number of parking spaces, parking utilization, parking supply rate, parking demand rate, and traffic reduction strategies in place. The database can provide insight into why parking use fluctuates based on location, transit access, and TDM strategies.

The GreenTRIP Parking Database allows data filtering for the study site parameters listed above. For the all-residential, senior housing study sites in Santa Clara County, parking demand rates range from 0.27 to 0.71 spaces per unit. For the all-residential, non-senior housing study sites that are 50 to 100% below market rate (affordable housing) in Santa Clara County, parking demand rates range from 0.96 to 1.34 spaces per unit.

Some other relevant example results are:

- 801 Alma in Palo Alto (0.3 miles from a Caltrain station) with 50 units, 60 parking spaces (1.20 spaces per unit), and a peak parking demand of 1.02 spaces per unit,
- Madera Apartments in Mountain View (0.1 miles from a Caltrain station) with 203 units, 279 parking spaces (1.37 spaces per unit), and a peak parking demand of 0.88 spaces per unit, and
- Arbor Terrace Apartments in Sunnyvale (0.2 miles from a VTA Rapid 522 stop) with 175 units, 359 parking spaces (2.05 spaces per unit), and a peak parking demand of 1.37 spaces per unit

Are TODs Over-Parked

Robert Cervero at the University of California Transportation Center (UCTC) led this study with the University of California, Berkeley. The study finds that parking demand rates for residential units at transit-oriented developments (TODs) in the San Francisco Bay Area ranged from 0.74 to 1.69 spaces per unit, averaging 1.20 spaces per unit. For all surveyed sites, the average parking supply was 1.59 spaces per dwelling unit. (A table from this report summarizing the results is included in **Appendix A**.) The study does not specify whether the surveyed properties are market rate, affordable, or senior housing; based on a review of the survey locations, most, if not all, are market rate properties. Varying development contexts explains the range in peak parking demand rates. Well-established sites with complementary land uses (such as office, restaurant, health club, hotel, and retail uses) had lower parking demand rates, while less dense and less diverse sites had higher parking demand rates.


Los Angeles Trip Generation Study

In 2015 Fehr & Peers conducted a parking study in conjunction with a trip generation study for the Los Angeles Department of City Planning. The study surveyed 42 affordable housing sites inside and outside Transit Priority Areas (TPAs) in Los Angeles (20 inside a TPA, 22 outside a TPA). The study compared the observed parking demand rates to the Los Angeles Municipal Code (LAMC) parking requirements. All observed parking demand rates were lower than LAMC requirements. (A table from this report summarizing the results is attached.) Some relevant parking rates and results are:

- Affordable family housing within a TPA (8 surveyed) have a parking supply rate of 1.15 spaces per unit and a peak parking demand rate of 0.85 spaces per unit
- Affordable family housing outside a TPA (6 surveyed) have a parking supply rate of 1.17 spaces per unit and a peak parking demand rate of 0.82 spaces per unit
- Affordable senior housing within a TPA (5 surveyed) have a parking supply rate of 0.60 spaces per unit and a peak parking demand rate of 0.44 spaces per unit
- Affordable senior housing outside a TPA (8 surveyed) have a parking supply rate of 0.70 spaces per unit and a peak parking demand rate of 0.48 spaces per unit

San Diego Affordable Housing Parking Study

In 2011 the City of San Diego conducted a parking study for affordable housing in various contexts throughout the city. The study documented parking rates for 21 housing developments to develop a citywide parking demand model. Variables considered includes walkability, access to transit, and housing type (e.g. single-family, senior, etc.). The parking study concluded that parking demand for affordable projects is about one half of typical rental units in San Diego, with almost half of all units surveyed having



no vehicle. Higher parking demand was generally associated with larger unit size and higher income for affordable housing developments. (A table from this report summarizing the results is attached.) In all projects surveyed, the amount of peak parking used was less than the amount supplied. Some relevant parking rates are:

- Villa Harvey Mandel Affordable Rentals located 1,500 feet from the 12th & Imperial Transit Center in San Diego with 90 units, 26 parking spaces (0.29 spaces per unit), and a peak parking demand of 0.28 spaces per unit
- Windwood Village Apartments in San Diego (not located near major transit service) with 92 units, 195 parking spaces (2.10 spaces per unit), and a peak parking demand of 1.56 spaces per unit
- Renaissance Senior Apartments in San Diego with 96 units, 103 parking spaces (1.07 spaces per unit), and a peak parking demand of 0.39 spaces per unit

Parking Generation, 4th Edition

The Institute of Transportation Engineers published *Parking Generation*, 4th edition in 2004 to provide parking demand rates for various land uses based on survey data collected in primarily suburban, low-density areas. While the report does not provide authoritative findings, recommendations, or standards on parking demand, it is often referenced by planners and designers in making parking supply estimations and decisions. Some relevant results are:

- Low/Mid-Rise Apartment (Land Use 221) has an average weekday peak parking demand of 1.23 spaces per dwelling unit in suburban context and 0.42 spaces per dwelling unit in urban context
- Residential Condominium/Townhouse (Land Use 230) has an average peak parking demand of 1.38 spaces per dwelling unit in suburban context
- Senior Adult Housing – Attached (Land Use 252) has an average peak period parking demand of 0.59 spaces per dwelling unit


City of Palo Alto Municipal Code

The City of Palo Alto Municipal Code, Chapter 18.52 *Parking and Loading Requirements* outlines the current parking supply requirements for multi-family residential units. Based on Table 1 in Section 18.52.040 *Off-Street Parking, Loading and Bicycle Facility Requirements*, market-rate multi-family residential complexes should have:

- 1.25 parking spaces per studio unit,
- 1.5 parking spaces per 1-bedroom unit,
- 2 parking spaces per 2-bedroom or larger unit, and
- 1 guest parking space per project plus 10% of total number of units (for projects exceeding 3 units).

Additionally, the following parking supply reductions may be taken:

- Housing for seniors may be reduced by up to 50% of the total spaces required for the site, subject to submittal and approval of a parking analysis justifying the reduction.
- Affordable housing may be reduced by up to 20% for low income units, up to 30% for very low income units, and 40% for extremely low income and single room occupancy units. The reduction shall consider proximity to transit and support services and traffic demand management measures may be required.
- Up to 20% reduction for housing near transit facilities and approval of a Transportation Demand Management (TDM) program.



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3. Parking Surveys

Fehr & Peers gathered the results of previous parking surveys for multi-family residential developments within and near Palo Alto and conducted new parking surveys. This section presents the survey methodology and results.

Previous Parking Surveys

The results of previous parking surveys conducted for multi-family developments in the South Bay from other Fehr & Peers studies, TransForm, and studies conducted by other consultants were compiled. Available information about each site, such as the number of units, walking distance to the nearest rail station, type of rail service, peak parking demand, and parking supply and demand rates, is presented in **Table 1**. **Figure 1** shows the locations of each development. All developments are market-rate, except for Madera Apartments in Mountain View which has seven affordable-housing units and 196 market-rate units.

Some of the developments may not be directly applicable to Palo Alto but the information can be used for comparison purposes. The parking supply rates ranged from 0.92 to 2.09 spaces per unit and the parking demand rates ranged from 0.56 to 1.41 spaces per unit, which indicates that the developments generally had enough parking to meet demand. The highest parking demand rate is from a complex that is not near a rail station or major bus route, suggesting that complexes far from transit may require more parking than those close to transit.

The peak demands were approximately 20 percent lower than the parking supply for all but one of the complexes, Avalon Towers on the Peninsula. It has a low parking supply rate of 1.24 spaces per unit and is 0.8 miles from the closest Caltrain station. Several complexes had parking supplies that are 40 to 60 percent higher than their peak demands.



Table 1: Available Multi-Family Residential Parking Survey Results

Name of Complex	Address	Distance to Rail Station	Type of Rail	Number of Units				No. of Occupied Units	Supply			Demand				Over-supply ¹
				1 BR	2 BR	3+ BR	Total Units (Bedrooms)		No. of Spaces	Rate Per Unit	Rate Per Bedroom	Peak Parking Demand	Rate Per Unit	Rate Per Occupied Unit	Rate Per Bedroom	
801 Alma	801 Alma St., Palo Alto	0.3 miles	Caltrain (Palo Alto)	10	24	16	50 (106)	50	60	1.20	0.57	51	1.02	1.02	0.48	18%
Park Place Apartments	851 Church St., Mountain View	0.7 miles	Caltrain/ LRT (Mountain View)	181	186	6	373 (571)	n/a	511	1.37	0.89	339	0.91	n/a	0.59	51%
Avalon Mountain View	1600 Villa St., Mountain View	0.8 miles	Caltrain/ LRT (Mountain View)	117	75	56	248 (435)	n/a	426	1.72	0.98	301	1.21	n/a	0.69	42%
AvalonBay Creekside	151 Calderon Ave., Mountain View	0.4 miles	Caltrain/ LRT (Mountain View)	n/a	n/a	n/a	294 (n/a)	288	436	1.48	n/a	365	1.24	1.27	n/a	19%
Avalon Towers on the Peninsula, (ATOP)	2400 West El Camino Real, Mountain View	0.8 miles	Caltrain/ LRT (Mountain View)	90	115	6	211 (338)	203	262	1.24	0.78	258	1.22	1.27	0.76	2%
Madera Apartments	455 W. Evelyn Ave, Mountain View	0.2 miles	Caltrain/ LRT (Mountain View)	116	87	0	203 ² (290)	n/a	342	1.68	1.18	214	1.05	n/a	0.74	60%

Table 1: Available Multi-Family Residential Parking Survey Results

Name of Complex	Address	Distance to Rail Station	Type of Rail	Number of Units				No. of Occupied Units	Supply			Demand				Over-supply ¹
				1 BR	2 BR	3+ BR	Total Units (Bedrooms)		No. of Spaces	Rate Per Unit	Rate Per Bedroom	Peak Parking Demand	Rate Per Unit	Rate Per Occupied Unit	Rate Per Bedroom	
Central Park Apartments	100 N. Whisman Rd., Mountain View	0.3 miles	LRT (Whisman)	68	204	82	354 (722)	n/a	696	1.97	0.96	490	1.38	n/a	0.68	42%
Kensington Apartments	1220 N. Fair Oaks Ave., Sunnyvale	0.2 miles	LRT (Fair Oaks)	n/a	n/a	n/a	186 (n/a)	182	317	1.70	n/a	262	1.41	1.44	n/a	21%
Park Central Apartments	1050 Benton St., Santa Clara	0.7 miles	Caltrain/LRT (Santa Clara)	85	88	0	173 (261)	n/a	345	1.99	1.32	219	1.27	n/a	0.84	58%
Mansion Grove Apartments	502 Mansion Park Dr., Santa Clara	0.9 miles	LRT (Orchard)	502	494	4	1,000 (1,502)	n/a	1,670	1.67	1.11	1,317	1.32	n/a	0.88	27%
Ironworks Apartments (North)	457 E. Evelyn Ave., Sunnyvale	0.4 miles	Caltrain (Sunnyvale)	7	72	38	117 (265)	n/a	244	2.09	0.92	148	1.26	n/a	0.56	65%
Ironworks Apartments (South)	388 E. Evelyn Ave., Sunnyvale	0.4 miles	Caltrain (Sunnyvale)	44	23	0	67 (90)	n/a	109	1.63	1.21	54	0.81	n/a	0.60	91%



Table 1: Available Multi-Family Residential Parking Survey Results

Name of Complex	Address	Distance to Rail Station	Type of Rail	Number of Units				No. of Occupied Units	Supply			Demand				Over-supply ¹
				1 BR	2 BR	3+ BR	Total Units (Bedrooms)		No. of Spaces	Rate Per Unit	Rate Per Bedroom	Peak Parking Demand	Rate Per Unit	Rate Per Occupied Unit	Rate Per Bedroom	
Montrose Apartments	1720 W. El Camino Real, Mountain View	1.4 miles	Caltrain/LRT (Mountain View)	148	80	0	228 (308)	n/a	354	1.55	1.15	219	0.96	n/a	0.71	62%

Source: Fehr & Peers, TransForm, and Hexagon Transportation Consultants.

1. Oversupply = (Supply – Demand) / Demand
2. Madera Apartments has seven affordable-housing units and 196 market-rate units.



Figure 1
Previous Parking Study Locations

New Parking Surveys

During November and December, 2017, surveys were conducted at nine apartment complexes in Palo Alto to measure their parking demand during various days of the week and times of day. The sites were re-surveyed in June and July, 2018.

Selected Survey Sites

The nine multi-family complexes were selected in concert with City staff based on development type (i.e. Market Rate, Affordable Housing, or Senior Community) and distance from transit, where transit is defined as fixed rail stations (primarily Caltrain stations) and/or major bus routes (primarily El Camino Real) so that the effects of transit proximity can be discerned. **Table 2** lists the locations of the properties along with their types and distance-to-transit categories. **Table 3** shows their locations in relation to nearby Caltrain stations (Palo Alto, California, and San Antonio). Distances are based on the shortest pedestrian or bicycle route measured from the complex to the nearest Caltrain station as calculated by Google Maps (typically from the middle of the apartment complex to the closest pedestrian/bicyclist entrance of the Caltrain station).

Table 2: Selected Multi-Family Complexes

Type	Near Transit (<0.5 miles)	Mid-Distance to Transit (0.5 to 1.0 miles)	Far from Transit (>1.0 miles)
Affordable Housing	California Park Apartments (2301 Park Boulevard)	Oak Court Apartments (845 Ramona Street)	Colorado Park Apartments (1141 Colorado Avenue)
Market Rate Housing²	--	The Marc (501 Forest Avenue)	Midtown Court Apartments (2721 Midtown Court)
			Tan Plaza Apartments (580 Arastradero Road)
Senior Housing	Sheridan Apartments ¹ (360 Sheridan Avenue)	Lytton Gardens (330 Everett Avenue)	Stevenson House (455 E. Charleston Road)

Source: Fehr & Peers, 2018.

1. Sheridan Apartments is an affordable housing complex for senior & disabled residents. For the purposes of this analysis, Sheridan Apartments was considered as a Senior Housing complex.
2. Distances thresholds for "Near Transit," "Mid-Distance to Transit," and "Far from Transit" categories were revised after selecting the properties. Because of this revision, there are no Market Rate Housing complexes "Near Transit" and two Market Rate Housing complexes "Far from Transit."



New Parking Survey Locations

- Affordable Housing
- Market Rate Housing
- Senior Housing



Caltrain Station

— Caltrain Route



Figure 2

New Parking Survey Locations



Each of the observed sites are described below:

- **Affordable Housing**

- *California Park Apartments* is directly west of the California Avenue Caltrain Station on Park Boulevard. The complex is bordered by non-residential land uses, although single-family and multi-residential units are nearby. The complex is also within walking and biking of many restaurants, several grocery stores, and other amenities. The complex has unassigned, uncovered parking spaces for residents only. Street parking is restricted to two hours maximum between 8:00 am and 5:00 pm, Monday through Friday.
- *Oak Court Apartments* is in a residential area of Palo Alto south of the University Avenue downtown area among other multi-family residential complexes and single-family homes. The complex is within walking and biking distance of the University Avenue downtown area, as well as other various grocery stores and amenities. Access to the Palo Alto Caltrain Station is provided on both the east and west sides of the Caltrain tracks, and the station is accessible via both local streets and bicycle and pedestrian paths. The complex has assigned, underground parking for residents only. Street parking is available on most adjacent blocks and is time-restricted for all users except those with residential permits. (Permits are for multiple residential complexes including Oak Court Apartments.)
- *Colorado Park Apartments* is in a residential area of Palo Alto southeast of the US 101/Oregon Expressway interchange and is surrounded by single-family and multi-family residential units. The complex is within walking and biking distance to several schools and parks, but it is not within walking distance to any restaurants, grocery stores, or other amenities. (The Midtown Shopping Center, the nearest shopping center, is approximately 0.7 miles from the complex.) The complex has assigned parking in a residents-only surface-level lot. Most of the parking is covered, but a portion of the spaces are uncovered. Colorado Avenue, the only street bordering the complex, has unrestricted street parking near the site.

- **Market Rate Housing**


- *The Marc* is in a mixed residential/commercial area of Palo Alto near the University Avenue downtown area. A mix of residential units and commercial units surround the complex. The complex is within walking and biking distance of the University Avenue downtown area, as well as other stores and amenities. Access to the Palo Alto Caltrain Station is provided on both the east and west sides of the Caltrain tracks, and the station is accessible via both local streets and bicycle and pedestrian paths. All parking spaces are assigned to residents, although parking is partially in a gated garage and partially in a surface-level lot. Street

parking is restricted to two hours maximum between 8:00 am and 5:00 pm, Monday through Friday.

- *Midtown Court Apartments* is directly north of the Midtown Shopping Center in Palo Alto. The complex shares driveways with another apartment complex and is surrounded by both residential units and commercial land uses. The complex is within walking and biking distance of many restaurants, a grocery store, and other amenities. Access to the California Avenue Caltrain Station is somewhat impeded because the complex is on the opposite side of Caltrain tracks as the station. The complex has both assigned and unassigned parking spaces in a surface lot, with both covered and uncovered spaces. Minimal street parking surrounds the complex, although the parking lot at the Midtown Shopping Center does not restrict parking outside of business hours.
- *Tan Plaza Apartments* is in a primarily residential area of Palo Alto near the intersection of El Camino Real and Arastradero Road. The complex is near mostly residential buildings and some hotel and retail land uses. The complex is within biking distance to select restaurants and stores to the south along El Camino Real. The complex has a gated surface lot for residents only, and all spaces are assigned and covered. Clemo Avenue south of the complex has unrestricted street parking.

- **Senior Housing**

- *Sheridan Apartments* is in a residential area of Palo Alto to the south of the California Avenue downtown area. The complex is near several multi-family residential complexes. It is also within walking and biking distances to restaurants and various amenities on California Avenue. The complex has a resident-only surface lot with assigned parking. Street parking is available on most adjacent blocks and is time-restricted for all users except those with residential permits. (Permits are for multiple residential complexes including Sheridan Apartments.)
- *Lytton Gardens* is in a partially residential, partially commercial area of Palo Alto to the north of the University Avenue downtown area. The complex is next to multi-family residential areas, restaurants, and retail land uses. The complex is within walking and biking distance to the University Avenue downtown area. The complex has gated, assigned, underground parking for residents. Street parking is available on adjacent blocks and is time-restricted for all users except those with residential permits. (Permits are for multiple residential complexes including Lytton Gardens.) Additionally, there is a parking lot near the complex that is reserved for other multi-family residential complexes and retail shops.

- 
- *Stevenson House* is in a residential area of Palo Alto near the intersection of Charleston Road and Middlefield Road. The complex is near primarily single-family residential homes and elementary schools. A small shopping center with restaurants and a grocery store is within walking and biking distance of the complex. The complex has assigned parking spaces for residents in a surface lot. Some of the parking spaces are covered. Street-parking is available on the east side of Charleston Road for residents with parking permits.

All observed sites have dedicated parking facilities for residents, visitors, and staff where the number of parked vehicles could be counted (no private one and two-car garages). No observed sites offer unbundled parking. The number of units by bedroom count, number of parking spaces, and parking supply rates per unit and per bedroom are presented in **Table 4**. The properties also have at least 45 units, with unit occupancy at or above 95%.

Methodology & Results

This section summarizes the survey methods and results.

Parking Inventories

A parking inventory was conducted at each selected survey site to verify the parking supply. The inventory included counts of the numbers of spaces and how they were identified, e.g., reserved, visitor, staff, office, Americans with disabilities Act (ADA)-compliant, etc. Spaces that had no identification were designated as “general”. The parking inventories are presented in **Table 3**.

The parking requirements per City code are also presented. Many of the sites have fewer on-site spaces than the code requirements. If complexes provide less parking than the code requirements and parking occurs on adjacent streets, this may contribute to a perception of the city code being too low.

Table 3: Parking Inventories at Survey Sites

Name of Complex	Number of Parking Stalls								Required Parking Supply ¹
	General	Reserved	ADA-Compliant	Visitor	Office/Staff/Vendor	Future Neighbor	EV	Total	
Affordable Housing									
California Park Apartments	67	-	3	-	-	-	-	70	76 ²
Oak Court Apartments	-	85	2	20	-	-	-	107	87 ²
Colorado Park Apartments	-	86	2	-	2	-	-	90	99 ²
Market Rate Housing									
The Marc	-	153	2	-	-	-	2	157	172 ³
Midtown Court Apartments	58	10	-	-	1	-	-	69	83
Tan Plaza Apartments	65	10	2	-	2	5	-	84	127
Senior Housing									
Sheridan Apartments	-	20	1	-	-	-	-	21	47 ⁴
Lytton Gardens	3	38	5	5	-	-	-	51	42 ⁴
Stevenson House	35	2	3	6	4	-	-	50	97 ⁴

Notes:

1. Required parking supplies were calculated using the City of Palo Alto's parking requirements.
2. Per the City of Palo Alto's parking requirements, a 20% parking reduction was applied to affordable housing with low income units.
3. Per the City of Palo Alto's parking requirements, a 20% parking reduction was applied to market-rate housing nearest to transit.
4. Per the City of Palo Alto's parking requirements, a 50% parking reduction was applied to senior housing complexes.

Source: Fehr & Peers, 2018.



Parking Occupancy Surveys

Parking occupancy surveys were conducted in November and December, 2017 to count the numbers of parked vehicles on-site by space type on a weekday (Tuesday, Wednesday, or Thursday) at three time periods (midday, evening, and late night - after midnight) and on a weekend day at two time periods (midday and late night). An additional round of parking occupancy surveys was conducted in June and July, 2018 on a weekday during the late-night period to capture total on-site and potential on-street parking demand.

The summarized results showing the numbers of parked vehicles, parking demand rates per unit, per occupied unit, and per bedroom are in **Table 4**. The peak (highest) on-site parking demand survey results are shown. The peak demand rates are based on the highest observed on-site demand plus the highest observed on-street demand. It should be noted that it is difficult to discern whether the vehicles parked on street are associated with the apartment complex or with other homes or land uses in the area. All of the on-street parked vehicles are included in the demand rates yielding conservative results. (More detailed survey results are included in **Appendix B**.)

Most of the complexes achieved their peak parking demand on weekdays during the late night period. Two had identical peak parking demands during the late night period on weekdays and on weekends (California Park Apartments and Tan Plaza). One of the senior housing complexes reached its peak parking demand during the late night weekend period (Stevenson House).

Only three of the complexes, Oak Court Apartments, Lytton Courtyard, and Stevenson House, have designated visitor spaces. Oak Court Apartment has 20 visitor spaces and the number of vehicles parked in those spaces remained at 6 or 7 throughout the survey period. Lytton Courtyard has 5 visitor spaces with 1 or 2 parked vehicles. The number of vehicle in the six visitor spaces at Stevenson House ranged from 2 to 5.

Table 4: New Multi-Family Residential Parking Survey Results

Name of Complex	Distance to Rail Station (Nearest Caltrain Station)	Number of Units				No. of Occupied Units	Supply			Peak Demand		Demand Rates (Per Unit)		Demand Rates (Per Bedroom)		Over-Supply Range ^{3,4}
		1 BR	2 BR	3+ BR	Total Units (Total Bedrooms)		No. of Spaces	Supply Rate per Unit	Supply Rate per Bedroom	On-Site ²	On-Street ^{1,2}	On-Site ²	On-Site & On-Street ²	Rate Per Bedroom (On-Site) ²	Rate Per Bedroom (On-Site & On-Street) ²	
Affordable Housing																
California Park Apts.	0.1 mi. (CA)	1	31	13	45 (102)	45	70	1.56	0.69	49	19	1.09	1.51	0.48	0.67	3-43%
Oak Court Apts.	0.6 mi. (PA)	9	18	26	53 (123)	53	107	2.02	0.87	66	12	1.25	1.47	0.54	0.63	37-62%
Colorado Park Apts.	1.8 mi. (CA)	8	24	28	60 (140)	60	90	1.50	0.64	78	13	1.30	1.52	0.56	0.65	0-15%
Market Rate Housing																
The Marc	0.7 mi. (PA)	70	44	4	118 (170)	114	157	1.33	0.92	93	5	0.82	0.86	0.55	0.58	60-69%
Midtown Court Apts.	1.1 mi. (CA)	31	15	0	46 (61)	44	69	1.50	1.13	46	13	1.05	1.34	0.75	0.97	17-50%
Tan Plaza Apts.	1.5 mi. (SA)	6	50	5	61 (121)	60	84	1.38	0.69	70	14	1.17	1.40	0.58	0.69	0-20%
Senior Housing																
Sheridan Apts.	0.3 mi. (CA)	57	0	0	57 (57)	57	21	0.37	0.37	20	3	0.35	0.40	0.35	0.40	0-5%
Lytton Gardens	0.5 mi. (PA)	51	0	0	51 (51)	51	51	1.00	1.00	35	0	0.69	0.69	0.69	0.69	46%
Stevenson House	1.2 mi. (SA)	120	0	0	120 (120)	120	50	0.42	0.42	41	0	0.34	0.34	0.34	0.34	22%

Notes: Complexes are color coded by distance to transit, with darker colors indicating higher distance to transit.

1. Only a portion of the on-street parked vehicles are associated with the apartment complex.

2. On-site demand represents the higher peak demand observed of the two studies. On-street demand is from the new study only. Entire on-street demand included in demand rates.

3. Oversupply = (Supply – Demand) / Demand

4. Because it is not possible to determine how many on-street vehicles are generated by the complex, Oversupply Range represents the minimum (100% of on-street parking is generated by the complex) and maximum (0% of on-street parking is generated by the complex) oversupplies. If no on-street parking was observed, one oversupply percent is given.

Sources: City of Palo Alto, Fehr & Peers.



Resident Intercept Surveys

The Planning and Transportation Commission requested that resident intercept surveys be conducted to gauge residents' perspectives on parking conditions. One property, The Marc, allowed Fehr & Peers staff to conduct a survey on June 21, 2018. Two staff members went to the complex and recorded resident responses to the following three questions:

- What is your overall sense of the parking supply at this complex? (Too much parking, too little parking, or about the right amount of parking)
- How do you feel about parking in the garage compared to on-street parking/parking in neighboring lots?
- How do you feel about using the parking structure/lot at this complex? Do you feel safe using the parking structure/lot at this complex?

Seven residents (four female and three male) agreed to be interviewed. Overall, residents feel like the parking supply at The Marc is about right, although one resident mentioned that the parking structure is "packed" sometimes. All residents preferred parking in the complex instead of parking on the street. Several residents mentioned that they prefer parking in the complex because they have their own reserved space, while others stated that parking on the street is a "hassle." All residents also reported that they feel safe parking at the complex. One male resident mentioned that there is occasionally homeless activity near the parking complex. **Appendix C** shows the full responses of the resident intercept surveys.

The Marc showed low parking lot occupancy during the previous (57%) and new (62%) parking surveys, indicating that the parking supply is more than adequate. The Marc also had assigned parking for most residents and showed the lowest number of on-street vehicles of all observed Market Rate and Affordable Housing complexes.

Data Analysis

The parking occupancy surveys results were reviewed and statistical analyses were performed, including a multi-variant linear regression analysis, to determine the correlation between the peak parking demand and the number of dwelling units (categorized by number of bedrooms) and total number of bedrooms, and to determine whether distance to transit had any statistical significance. In addition the highest peak demand rates for each category were reviewed. The conversion of parking demand rates to parking supply rates is discussed in the next chapter.

Statistical Analyses

The best statistical analysis results regarding peak parking demand compared to the number of units are summarized below. These equations should be used with caution due to the low sample size.

Affordable Housing

Peak Parking Demand = $1.33 (X_1) + 1.52 (X_{2+})$, where

X_1 = Number of one-bedroom units and

X_{2+} = Number of two (or more)-bedroom units

The results are inconclusive regarding distance to transit.

Market-Rate Housing

Not accounting for distance to transit:

Peak Parking Demand = $0.56 (X_1) + 1.42 (X_{2+})$, where

X_1 = Number of one-bedroom units and

X_{2+} = Number two (or more)-bedroom units

Accounting for distance to transit:

Peak Parking Demand = $0.67 (X) + 27.88 (Y)$, where

X = Total number of units

Y = Walking distance to closest rail station in miles

Senior Housing

Peak Parking Demand = $0.40 (X_1)$, where

X_1 = Number of one-bedroom units

The results are inconclusive regarding distance to transit.

Highest Demand Rates

To ensure that a sufficient amount of parking is provided parking demand rates used in selecting the parking supply are based on 85th percentile rates, not average rates. Since the number of survey sites is low, the highest rate for each category would represent the 85th percentile rate. Therefore, the highest of the peak

parking demand rates for each category is used, not the average of the rates, to develop parking supply rates. The highest rates and the range of rates for each category are presented in **Table 5**.

Table 5: Peak Parking Demand Rates by Housing Type

Housing Type	Range of Peak Parking Demand rates		Maximum Peak Parking Demand Rate	
	<i>Spaces per Unit</i>	<i>Spaces per Bedroom</i>	<i>Spaces per Unit</i>	<i>Spaces per Bedroom</i>
Affordable Housing	1.47-1.52	0.63-0.67	1.52	0.67
Market Rate Housing	0.86-1.40	0.58-0.97	1.40	0.97
Senior Housing	0.34-0.69	0.34-0.69	0.69	0.69

Source: Fehr & Peers.

General Observations

Some general observations regarding the survey sites and results are presented below:

- The Affordable Housing complexes have a higher proportion of two and three-bedroom units, the Market Rate complexes have more one-bedroom than two+ bedroom units, and the Senior Housing complexes are comprised of primarily one-bedroom units.
- On a per-unit basis, the lowest parking demand rates were observed at the Senior Housing complexes and the highest at Affordable Housing complexes. On a per bedroom basis, the Affordable and Senior Housing sites had comparable rates while Market Rate units had the highest rate.
- Resident experiences at The Marc indicate that residents prefer to park at the apartment complex instead of on the street and that residents view always having available parking/empty spaces as the right amount of parking. (Therefore, a complex where the supply is closer to the peak demand may be viewed as having "too little" parking.)

4. Conclusions

The information contained in this report, primarily the results of the parking surveys conducted at complexes in Palo Alto, were used to develop parking supply rates. The rates are based on the goal of the parking supply being adequate to accommodate the peak demand on site to minimize intrusion into surrounding neighborhoods. Parking supply rates are typically about 10 percent higher than the anticipated peak demand to account for demand variations, to reduce the amount of vehicular circulation to locate the last vacant spaces, and to limit over-supplies. Parking supply rates for each of the apartment categories were selected based on the highest surveyed parking demand including both on-site and on-street spaces and the statistical analysis results. These rates include guest parking. Applying the resulting supply rates to the survey sites would result in supplies exceeding the parking demand by over 20 percent in most cases. Therefore these supply rates would minimize parking intrusion.

The supply rates and discussions on how they were derived are presented below:

Affordable Housing:

- 1.0 parking space per studio and per 1-bedroom unit
- 2.0 parking spaces per 2-bedroom or larger unit


Reserved parking, if provided, could be limited to one space per unit to maximize parking space availability.

All three of the survey sites have similar parking demand rates on both a per-unit and per-bedroom basis. The linear regression analysis indicates that the per unit demand rate is similar regardless of the number of bedrooms. This is primarily due to the low proportion of one-bedroom units and higher number of two and three-bedroom units to accommodate families (and their limited effect on parking demand). Therefore the parking rate is 2.0 spaces per unit with two or more bedrooms to acknowledge the higher parking demand associated with the larger units. The rate of 1.0 space per studio/one-bedroom unit was selected as it is the minimum acceptable supply rate. A higher rate is not needed as it would result in an oversupply.

Market Rate Housing:

- 1.0 parking space per studio and per 1-bedroom unit
- 2.0 parking spaces per 2-bedroom or larger unit

Reserved parking, if provided, could be limited to one space per unit to maximize parking space availability.



The market rate sites showed more variation in parking demand rates, especially on a per-bedroom basis. The linear regression analysis indicated demand rates in proportion with the number of bedrooms. On average these complexes are an even mix of one and two-bedroom units with few three-bed-room units. The parking rates of 1.0 space per studio/one-bedroom unit and 2.0 spaces per unit with two or more bedroom, even though identical to the Affordable Housing rates, maintain the magnitude of rate increase in the linear regression but set the minimum rate at 1.0 space per unit.

Senior Housing:

- 0.75 spaces per unit

All of the Senior Housing survey sites comprised one-bedroom units. The highest demand rate was 0.69 spaces per unit and per bedroom. This rate was used to develop the parking supply rate.

Appendix A:

Summary Tables from Previous Parking Studies

Summary Table from
"A Parking Utilization Survey of Transit-Oriented
Development Residential Properties in Santa Clara
County"



TABLE 6.1 Survey Data

Site	Housing		Parking			Parking Utilization Ratio	Parking Demand Rate	Parking Supply Rate	Over Supply (%)	Distance to Nearest Station
	Total Units	Occupied Units	Total Spaces	Utilized Spaces	Unused Spaces	(Utilized Spaces / Total Spaces)	(Utilized Spaces / Occupied Units)	(Total Spaces / Total Units)	(Supply - Demand) / Supply	(Feet)
1	294	288	438	365	73	0.83	1.27	1.49	15	2,500
2	306	294	568	439	129	0.77	1.49	1.86	19	3,060
4+	924	832	1,654	1,282	372	0.78	1.54	1.79	14	5,560
5	2,760	2,622	4,605	3,409	1,196	0.74	1.30	1.67	22	2,400
6	186	182	317	262	55	0.83	1.44	1.70	16	1,040
11*	93	93	122	99	23	0.81	1.06	1.31	19	1,060
13	210	200	373	271	102	0.73	1.36	1.78	24	1,330
14	104	100	240	148	92	0.62	1.48	2.31	36	1,500
16	115	113	186	132	54	0.71	1.17	1.62	28	130
18	176	174	338	241	97	0.71	1.38	1.92	28	690
20	250	242	387	287	100	0.74	1.19	1.55	23	730
21	383	383	523	320	203	0.61	0.84	1.37	39	3,930
Total	5,801	5,522	9,751	7,255	2,496					
Average	483	460	813	605	208	0.74	1.31	1.68	22	
Std. Dev.	751	709	1,258	936	324	0.07				

Notes

* Site 11 has an occupancy rate of 75% (it was the only survey site with an occupancy rate less than 90%).

The total number of housing units and parking spaces were adjusted for Site 11 to reflect an occupancy rate of 100%.

Total dwelling units: Calculation: 124 total units x 0.75 = 93

Total parking spaces: Calculation: 163 total parking spaces x 0.75 = 122

+ The actual distance is shorter than the 5,560 feet shown here.

See Section 5.5.2 and Figure 5.5 for more detail.

Summary Table from "Are TODs Over-Parked?"





Site	Supply per Unit	Peak Demand per Unit	Demand: % diff. from Supply	Demand: % diff. from ITE Rate
Walnut Creek: Pleasant Hill BART Station				
Diablo Oaks	1.05	0.74	-29.5%	-38.3%
Iron Horse Park	1.42	0.80	-43.7%	-33.3%
Archstone Walnut Creek	1.12	0.92	-17.9%	-23.3%
Park Regency	1.47	1.06	-27.9%	-11.7%
Archstone Walnut Creek Stat.	1.29	1.09	-15.5%	-9.2%
Villa Montanaro	2.05	1.23	-40.0%	2.5%
San Leandro: Bayfair BART Station				
The Hamlet	1.28	1.07	-16.4%	-10.8%
Union City BART Station				
Verandas	1.50	1.11	-26.0%	-7.5%
Parkside	1.46	1.13	-22.6%	-5.8%
Fremont BART Station				
Presidio	1.82	1.23	-32.4%	2.5%
Watermark Place	1.84	1.27	-31.0%	5.8%
Mission Peaks	1.75	1.35	-22.9%	12.5%
Archstone Fremont	1.98	1.45	-26.8%	20.8%
Sun Pointe Village	1.98	1.47	-25.8%	22.5%
Park Vista Apartments	1.97	1.48	-24.9%	23.3%
Alborada	1.78	1.69	-5.1%	40.8%
ALL 16 EAST BAY STATIONS				
Weighted Average	1.59	1.20	-24.7%	0.0%

**Figure 2. East Bay Results: Peak Parking Generation Rates (Parked Vehicles per Dwelling Unit)
Relative to Supply Levels and ITE Standard**

Summary Table from
"Los Angeles Trip Generation Study"



TABLE 3
Summary Table of Parking Analysis for Affordable Housing Sites in Los Angeles
(By Transit Priority Area and Affordable Housing Type)
 Counts conducted May, June, and November 2016

TPA Area	Affordable Housing Type	Sample Size	Parking Demand Per Dwelling Unit	Parking Utilization
Inside	-	20	0.53	64%
Outside	-	22	0.56	63%
-	Family	14	0.84	72%
-	Seniors	13	0.46	71%
-	Special Needs	8	0.32	43%
-	Permanent Supportive	7	0.37	56%
Inside	Family	8	0.85	74%
Inside	Seniors	5	0.44	73%
Inside	Special Needs	4	0.20	34%
Inside	Permanent Supportive	3	0.29	64%
Outside	Family	6	0.82	70%
Outside	Seniors	8	0.48	69%
Outside	Special Needs	4	0.44	52%
Outside	Permanent Supportive	4	0.43	50%

LAMC for Comparison

Parking Requirement per Unit	
Apartments (LAMC 12.21A.4(a))	
<3 habitable rooms	1
3 habitable rooms	1.5
>3 habitable rooms	2
Projects with Affordable Housing Density Bonus - Option 1 (applies to all units, not just restricted units) (LAMC 12.22A.25(d)(1))	
0-1 bedroom	1
2-3 bedrooms	2
4 or more bedrooms	2.5
Projects with Affordable Housing Density Bonus - Option 2 (applies to restricted units only) (LAMC 12.22A.25(d)(2))	
restricted affordable units	1
restricted to low or very low income senior citizen or disabled	0.5
restricted affordable units in residential hotel	0.25

Summary Table from
"San Diego Affordable Housing Study"



Table 2. Comparison of Spaces Required Under Different Standards

A. Type	B. Project, # of units, special district (if any)	C. Spaces required under current code with no reductions for increases, or Centre City Planned District (if applicable)	D. Spaces required if reduction for “very low income” or “transit area adjustment” is applied	E. Spaces w/ all density bonus 143.0790 adjustments (transit area + very-low income)	F. Spaces required under Chapter 6 parking model, including visitor, staff and vacancy factor	G. Actual spaces supplied	H. Peak overnight parking occupancy (surveyed projects)
Studio	Via Harvey Mandel, 90 units, CCPD	22 ²	N/A	N/A	33	26	20
Family (large)	Beyer Courtyard, 60 units	153	136	108	114	118	19
	Windwood Village, 92 units	223	196	151	149	195	144
	Seabreeze Farms, 38 units	96	85	68	65	73	N/A
	Gateway Family, 42 units	108	96	76	62	92	N/A
Family (small)	Regency Center, 100 units	198	168	97	142	100	N/A
SRO	Island Inn, 197 units, CCPD	87 ³	N/A	N/A	43	86	52
	Studio 15, 275 units, CCPD	85 ⁴	N/A	N/A	61	55	N/A
Senior	Renaissance Seniors, 96 units	178	149	68	87	103	37
	San Diego Apartments, 16 units	28	23	10	13	4	N/A
	Horton House, 153	Conditional use	N/A	N/A	48	17	14

¹ The model assumed that the desired vacancy rate is 10%.

² Assuming classified as living unit, 50% AMI, or 0.2 spaces per unit; requirement for less or equal to 40% AMI is zero spaces.

³ Assuming classified as living unit, 50% AMI or 0.2 spaces per unit; requirement for less or equal to 40% AMI is zero spaces.

⁴ Assuming classified as living unit, 50% AMI or 0.2 spaces per unit; requirement for less or equal to 40% AMI is zero spaces.

Appendix B:

New Parking Survey Results

Palo Alto Parking Survey Results (By Housing Type)																								
Site	Total units	Occupied units	Capacity (Spaces)	Supply Rate	Maximum Demand ^b	Weekday - (November & December 2017)									Weekday - (June & July 2018)				Weekend (November & December 2017)					
						Midday			Evening			Late			Late				Midday			Late		
						Stalls Occupied	Parking Occupancy	Demand Rate ^b	Stalls Occupied	Parking Occupancy	Demand Rate ^b	Stalls Occupied	Parking Occupancy	Demand Rate ^b	Stalls Occupied	Parking Occupancy	Demand Rate ^b	Off-Site Parking Demand ^a	Stalls Occupied	Parking Occupancy	Demand Rate ^b	Stalls Occupied	Parking Occupancy	Demand Rate ^b
California Park	45	45	70	1.56	1.09	19	0.27	0.42	28	0.40	0.62	41	0.59	0.91	49	0.70	1.09	19	27	0.39	0.60	41	0.59	0.91
Oak Court	53	53	107	2.02	1.25	36	0.34	0.68	43	0.40	0.81	66	0.62	1.25	62	0.58	1.17	12	46	0.43	0.87	59	0.55	1.11
Colorado Park	60	60	90	1.50	1.30	36	0.40	0.60	56	0.62	0.93	78	0.87	1.30	70	0.78	1.17	13	44	0.49	0.73	70	0.78	1.17
Affordable Average:				1.69	1.21	--	0.34	0.57	--	0.47	0.79	--	0.69	1.15	--	0.69	1.14	--	--	0.43	0.73	--	0.64	1.06
The Marc	118	114	157	1.33	0.82	59	0.38	0.52	64	0.41	0.56	90	0.57	0.79	93	0.59	0.82	5	59	0.38	0.52	79	0.50	0.69
Midtown Court	46	44	69	1.50	1.05	22	0.32	0.50	27	0.39	0.61	46	0.67	1.05	41	0.59	0.93	13	28	0.41	0.64	42	0.61	0.95
Tan Plaza	61	60	84	1.38	1.17	38	0.45	0.63	39	0.46	0.65	70	0.83	1.17	--	--	--	14	49	0.58	0.82	70	0.83	1.17
Market Rate Average:				1.40	1.01	--	0.38	0.55	--	0.42	0.61	--	0.69	1.00	--	0.59	0.87	--	--	0.45	0.66	--	0.65	0.94
Sheridan	57	57	21	0.37	0.35	17	0.81	0.30	19	0.90	0.33	20	0.95	0.35	17	0.81	0.30	3	16	0.76	0.28	18	0.86	0.32
Lytton	51	51	51	1.00	0.69	31	0.61	0.61	26	0.51	0.51	25	0.49	0.49	31	0.61	0.61	0	23	0.45	0.45	35	0.69	0.69
Stevenson	120	120	50	0.42	0.34	33	0.66	0.28	39	0.78	0.33	41	0.82	0.34	35	0.70	0.29	0	35	0.70	0.29	36	0.72	0.30
Senior Average:				0.60	0.46	--	0.69	0.39	--	0.73	0.39	--	0.75	0.39	--	0.71	0.40	--	--	0.64	0.34	--	0.75	0.43

Notes:
a. Only a portion of the on-street parked vehicles are associated with the apartment complex.
b. On-site demand rate per unit.

Appendix C:

Resident Intercept Survey Results

Resident Intercept Surveys - The Marc, 6/21/2018

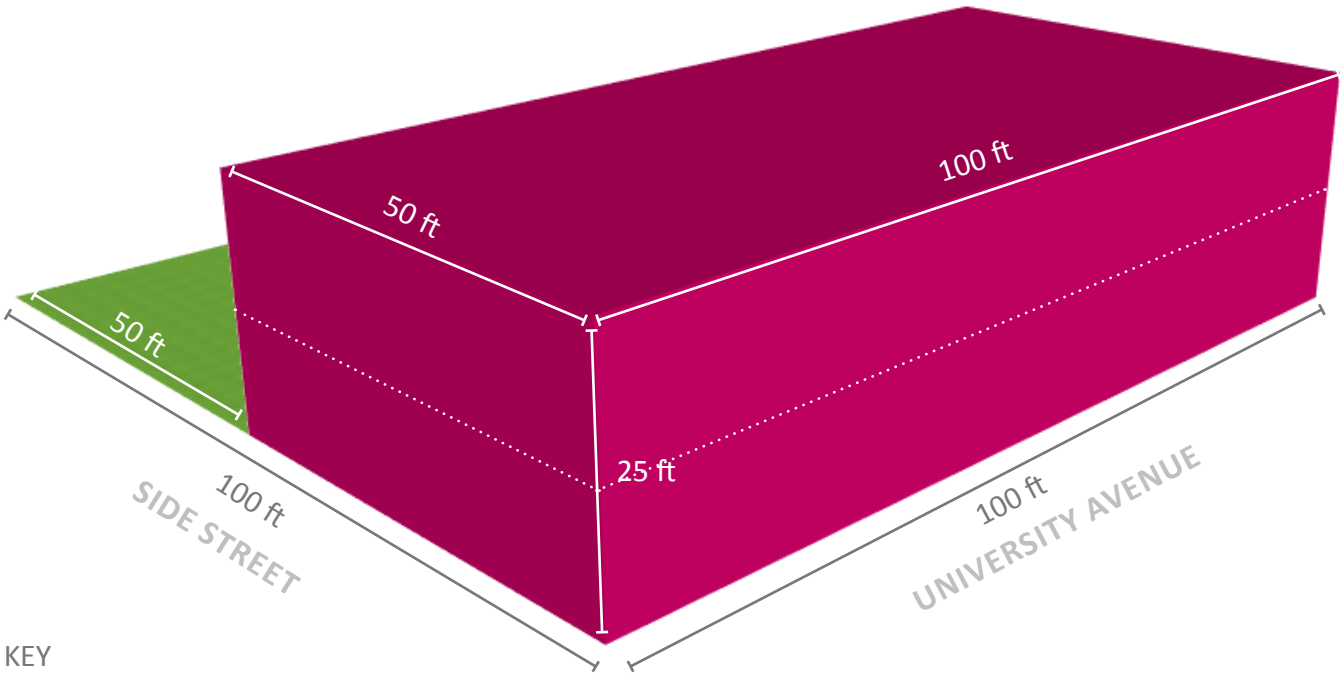
Gender	Questions		
	What is your overall sense of the parking supply at this complex? (Too much parking, too little parking, or about the right amount of parking)	How do you feel about parking in the garage compared to on-street parking/parking in neighboring lots?	How do you feel about using the parking structure at this complex? Do you feel safe using the parking structure at this complex?
Female	Fine, has a reserved space	In complex preferred, has own space	Yes, feels safe
Male	Fine, has a reserved space	In complex preferred, has own space, really does not like street parking	Feels safe, sometimes homeless activity around parking structure
Female	Right amount	She lives here with a designated spot, feels satisfied parking in structure	Yes, positive
Female	Right amount, has a reserved spot	Prefer to park in structure, on-street is a hassle as you have to move it constantly	Yes, positive
Male	Right amount	Prefer parking in garage	Yes, it is safe
Male	Right amount	Prefer parking at garage because of designated spaces	Yes, completely safe
Female	Sometimes it's packed, but most of the time the right amount. Never felt it's too little.	Prefers parking at garage, has a designated space, won't get into hassle of finding on-street parking	Yes, completely safe

CD-C DISTRICT (DOWNTOWN)

10,000 ft² Lot | 10,000 ft² Office Building | 1.0 FAR | 40 Off-Site Parking Spaces

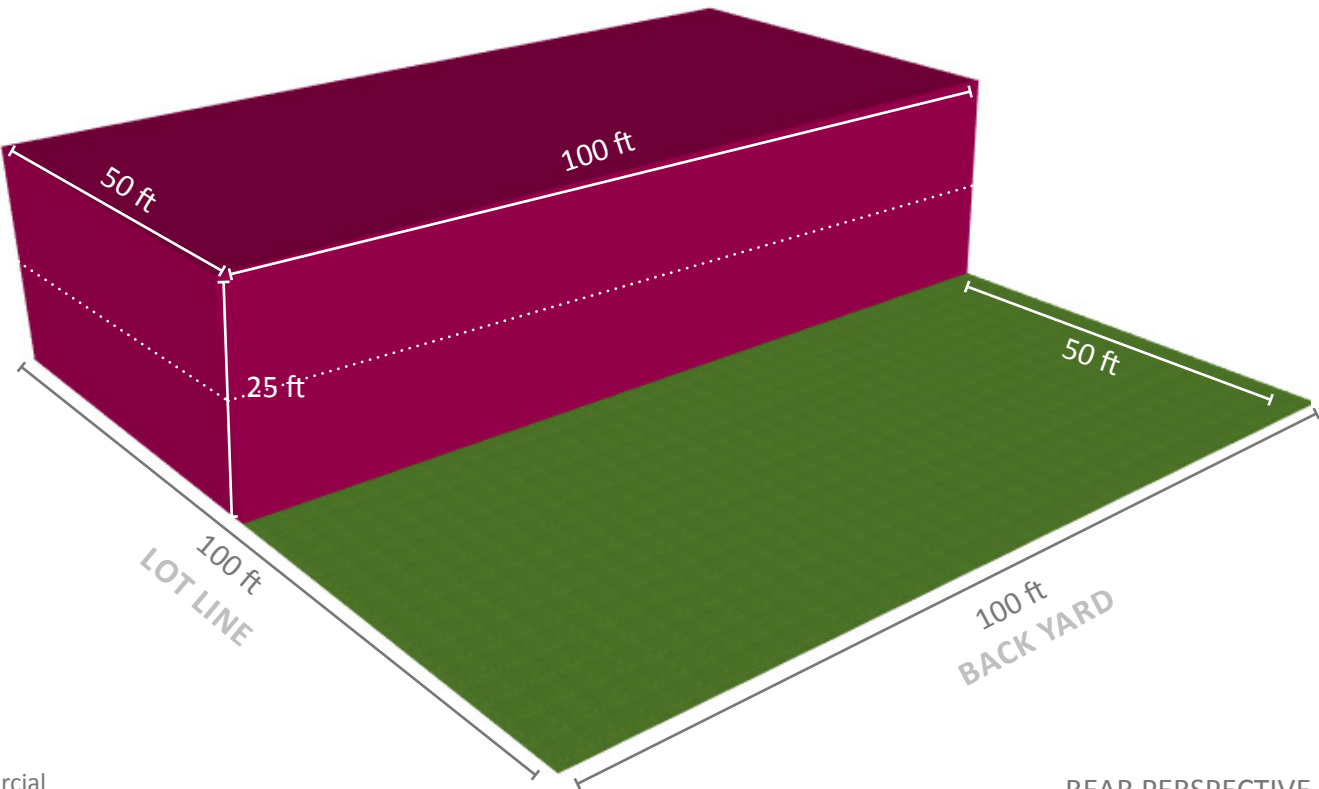
Zoning Requirements

- 50 ft height limit
- 1.0 max. FAR
- No setbacks
- No max. lot coverage



KEY
commercial

FRONT PERSPECTIVE



KEY
commercial

REAR PERSPECTIVE

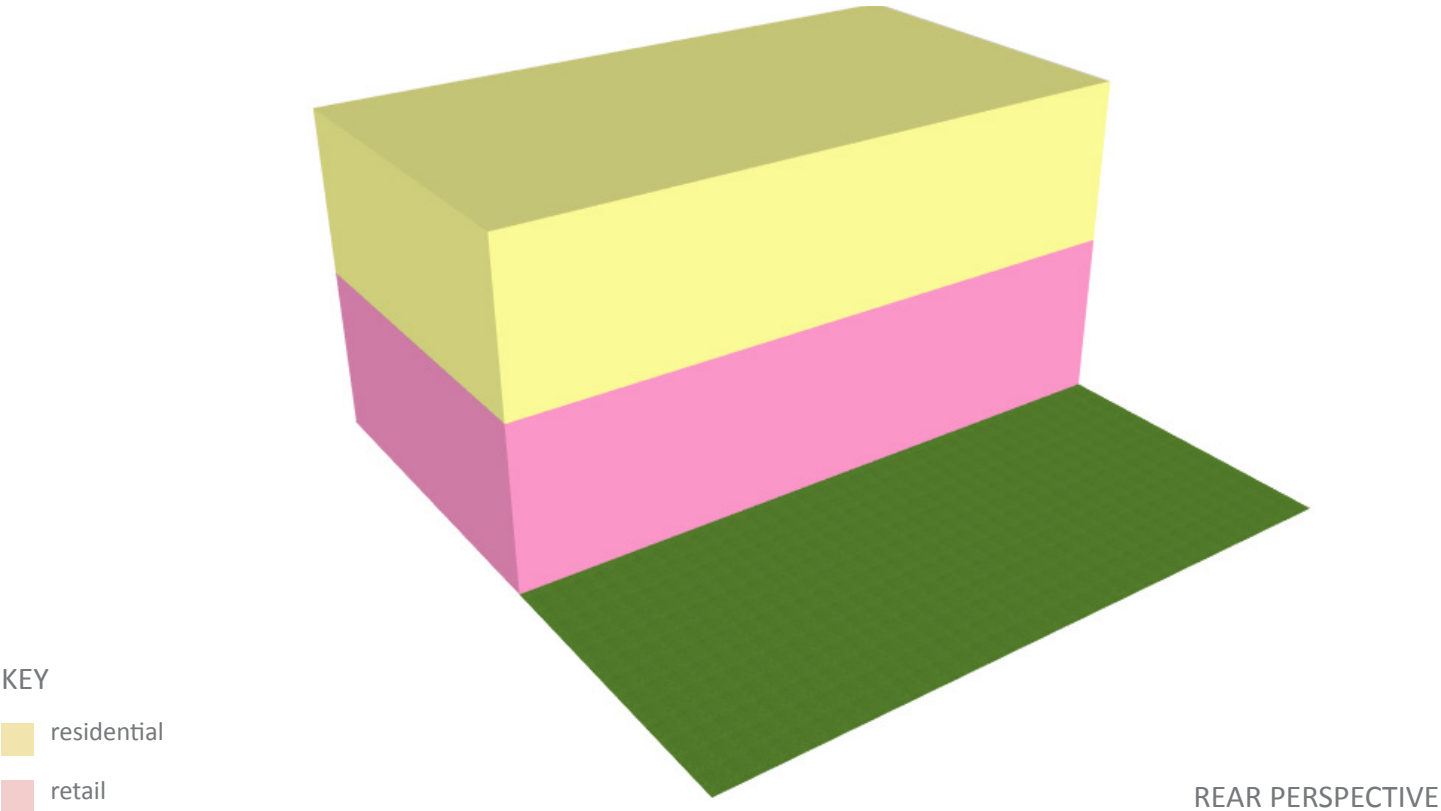
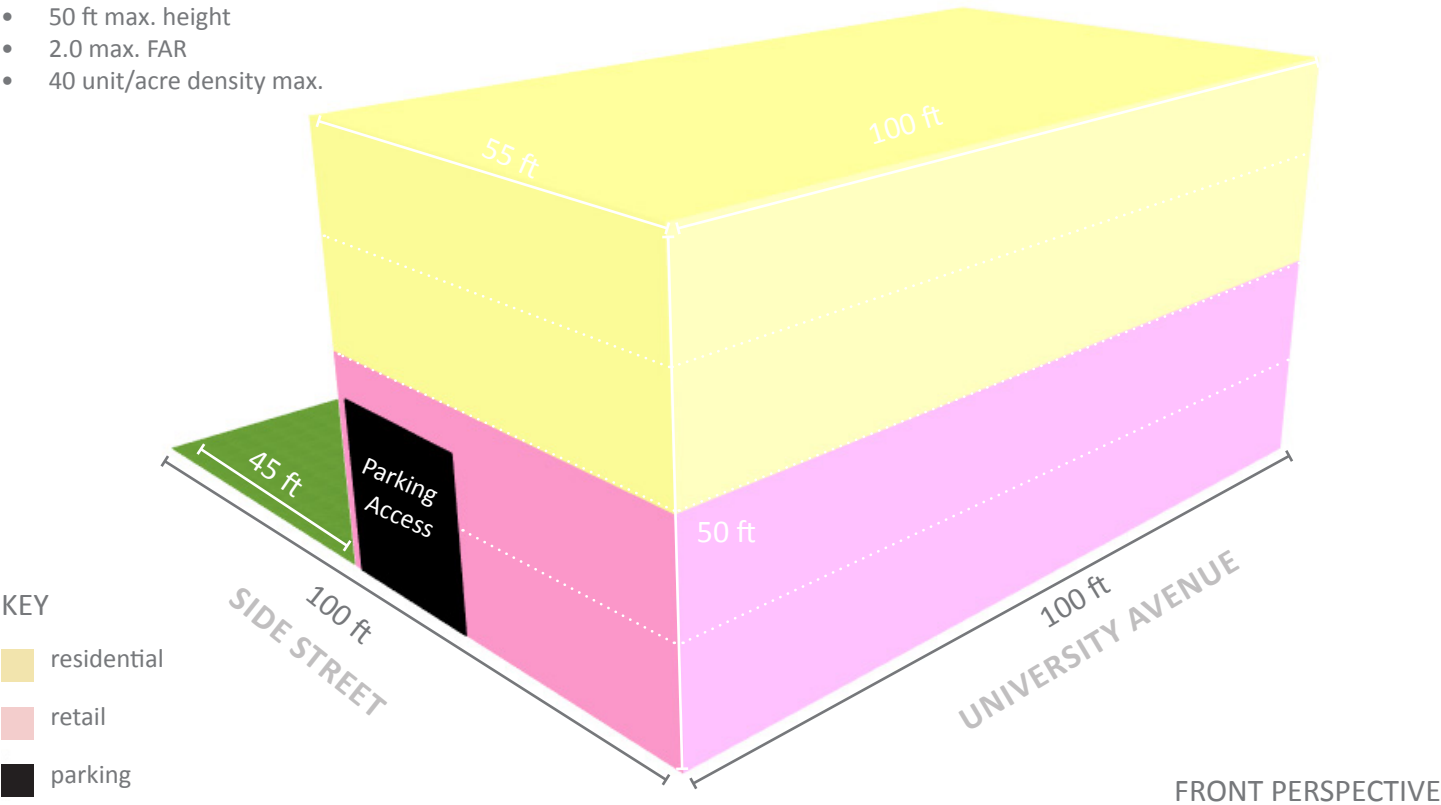
*images not to scale; numbers are approximate

CD-C DISTRICT (DOWNTOWN)

10,000 ft² Lot | **20,000 ft²** of Mixed-Use | 2.0 FAR | 9 1BD & 2BD Units | 10,000 ft² of Retail | 56 Parking Spaces

Zoning Requirements

- 10 ft rear setbacks
- 20% landscaping coverage
- 150 ft² usable open space per unit
- 50 ft max. height
- 2.0 max. FAR
- 40 unit/acre density max.



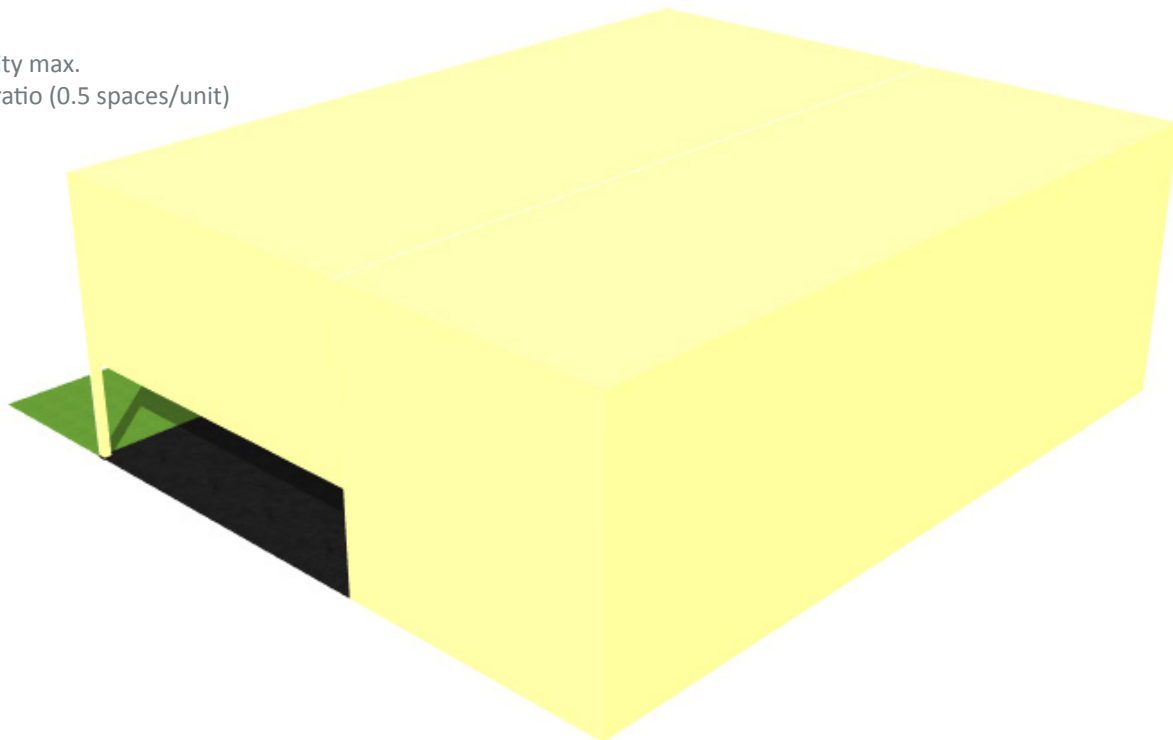
*images not to scale; numbers are approximate

CD-C DISTRICT (DOWNTOWN)

10,000 ft² Lot | 13,500 ft² of Residential | 1.35 FAR | 9 1BD, 2BD & 3BD Units | 10 Parking Spaces

Zoning Requirements

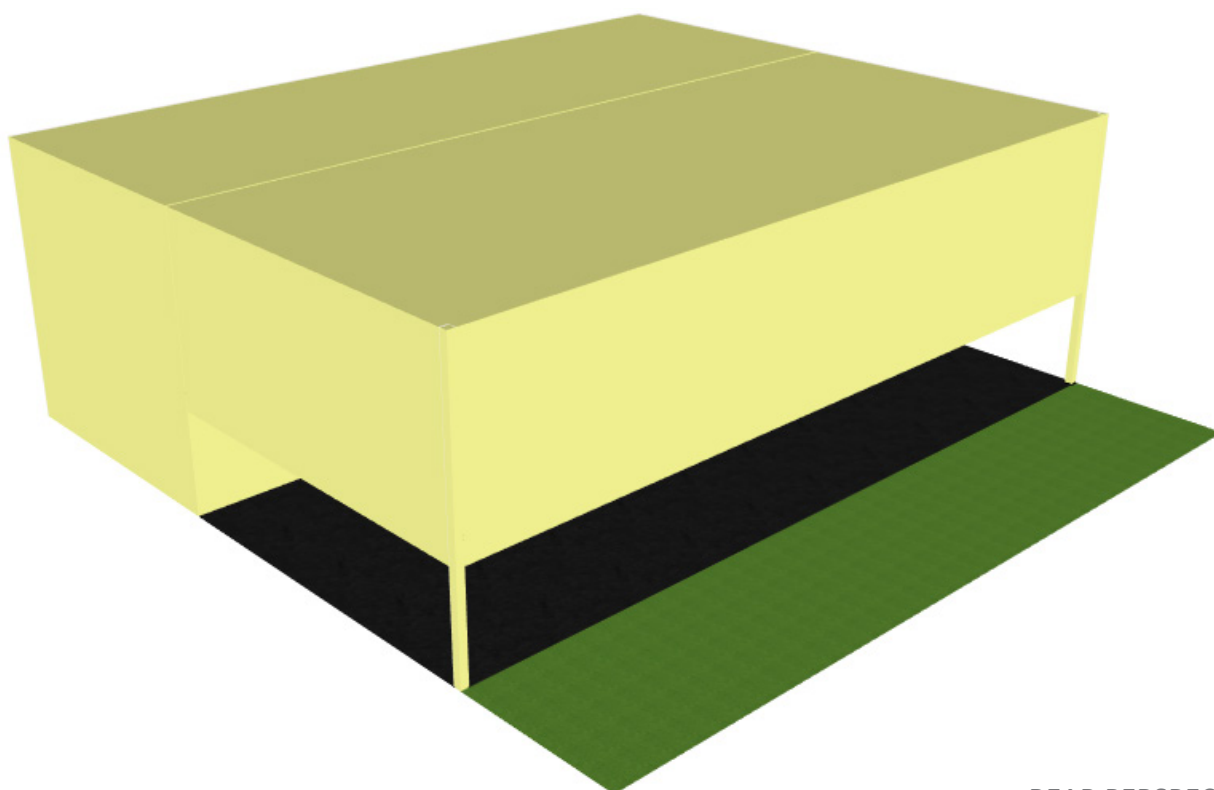
- 10 ft rear setbacks
- 20% landscaping coverage
- 150 ft² usable open space per unit
- 50 ft max. height
- 35% FAR bonus
- 40 unit/acre density max.
- Reduced parking ratio (0.5 spaces/unit)



KEY

- residential
- retail
- parking

FRONT PERSPECTIVE



KEY

- residential
- retail
- parking

REAR PERSPECTIVE

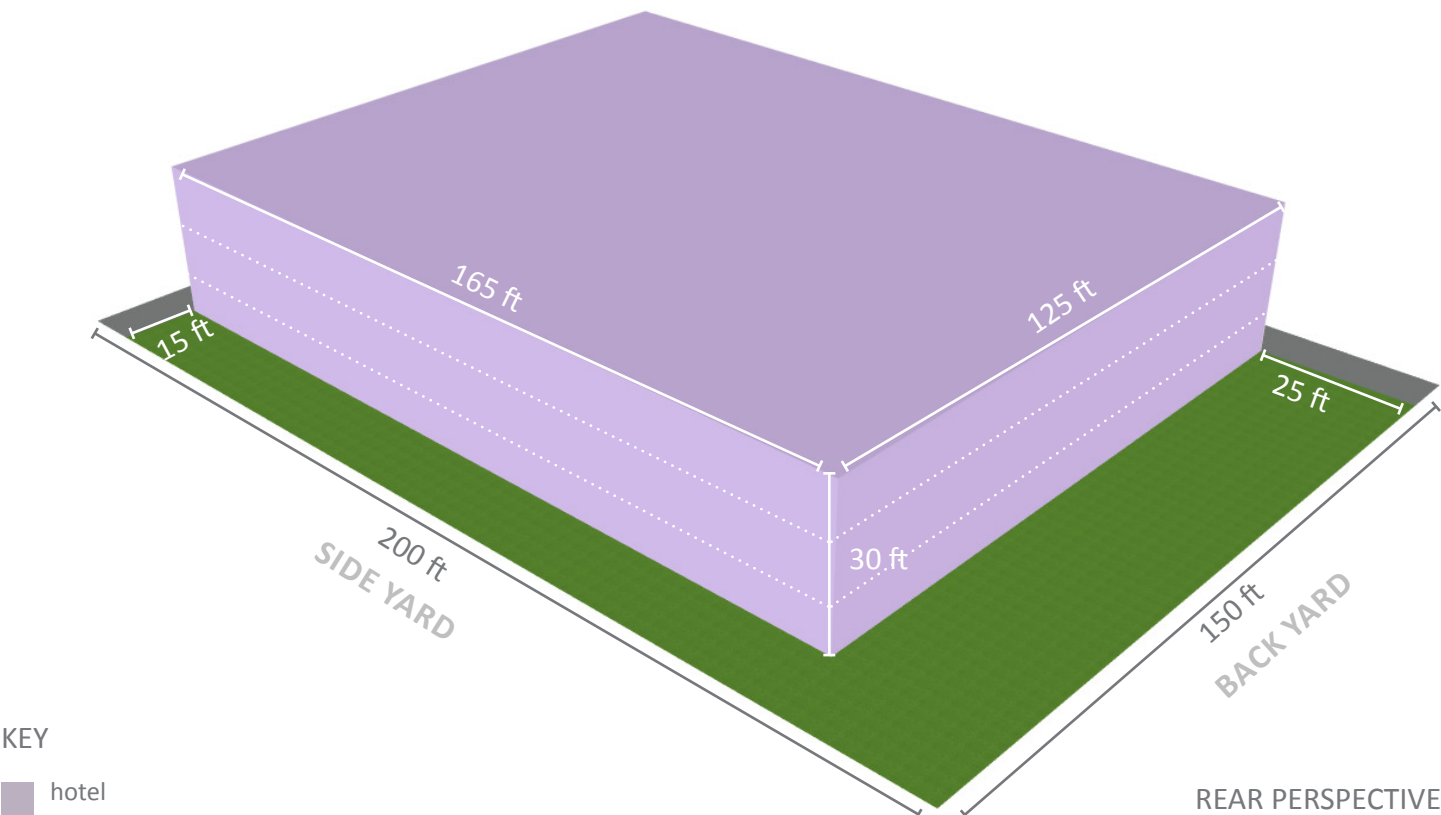
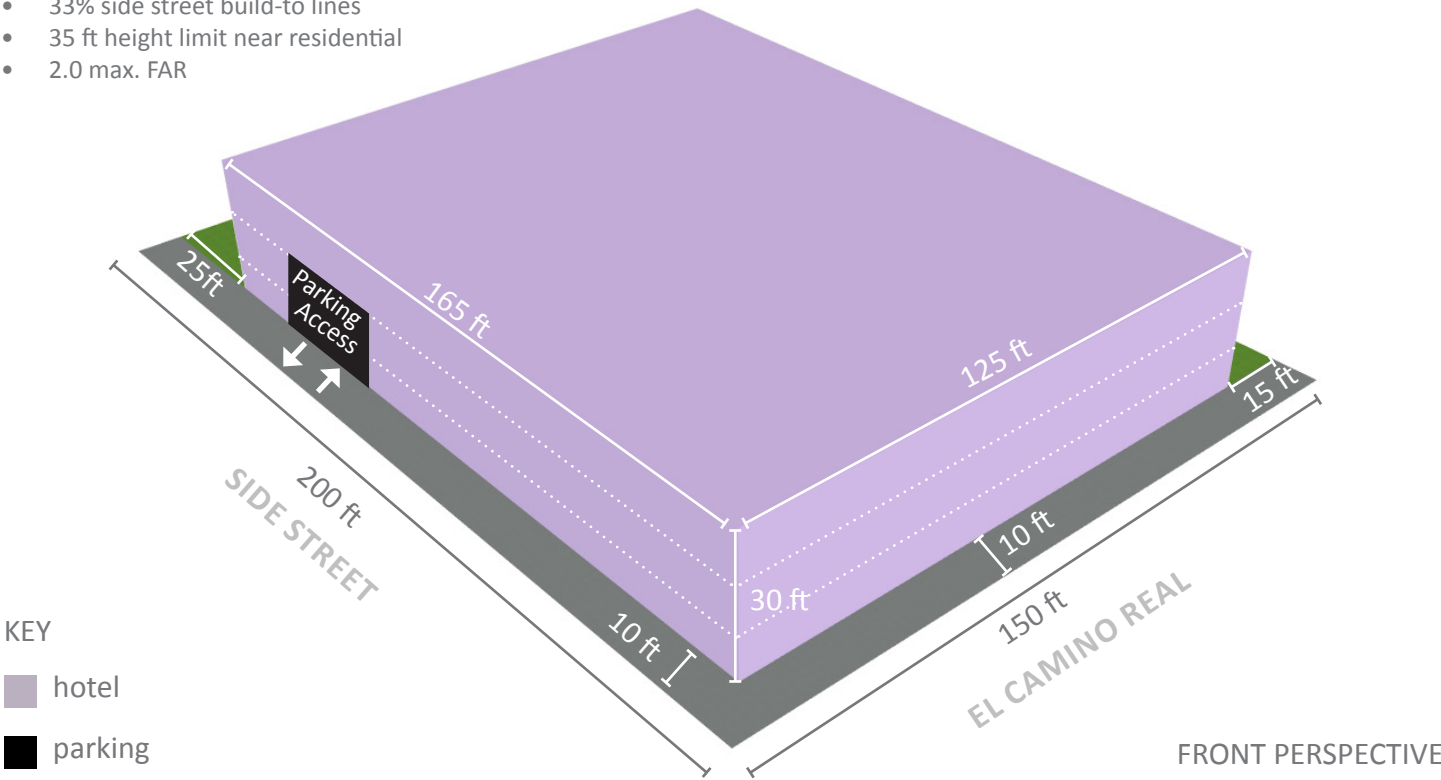
*images not to scale; numbers are approximate

CS DISTRICT (EL CAMINO REAL)

30,000 ft² Lot | 60,000 ft² Hotel | 2.0 FAR | 100 Guestrooms | 100 Below Grade Parking Spaces

Zoning Requirements

- 10 ft front setback
- 10 ft setback abutting residential
- 50% frontage build-to lines
- 33% side street build-to lines
- 35 ft height limit near residential
- 2.0 max. FAR



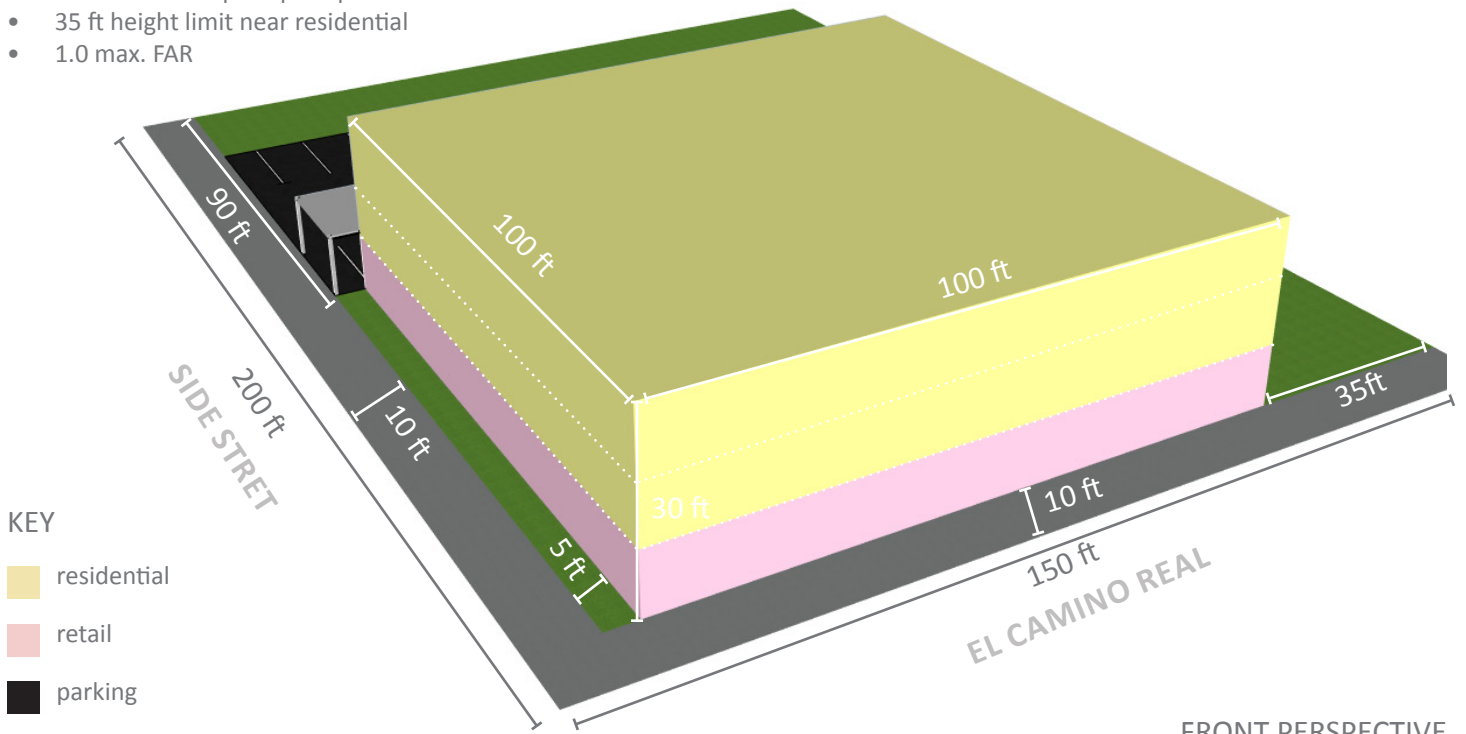
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CS DISTRICT (EL CAMINO REAL)

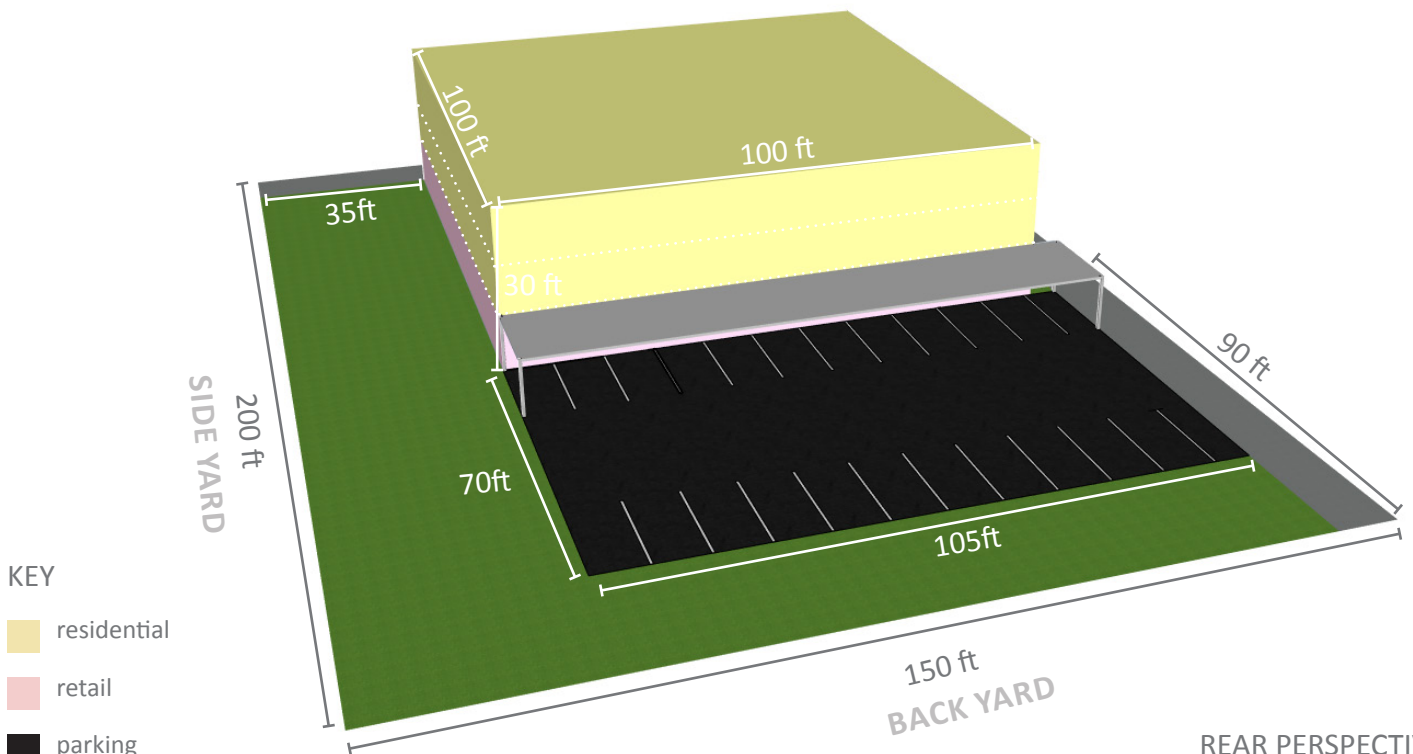
30,000 ft² Lot | **30,000 ft²** of Mixed-Use | 1.0 FAR | 15 1BD & 2BD Units | 1,000 ft² of Retail | 25 Parking Spaces

Zoning Requirements

- 10 ft front, rear and side yard setbacks
- 5 ft street side yard
- 50% max site coverage
- 30% landscaping coverage
- 150 ft² usable open space per unit
- 35 ft height limit near residential
- 1.0 max. FAR



FRONT PERSPECTIVE



REAR PERSPECTIVE

*images not to scale; numbers are approximate