

D1D2 Parking Requirements – technical details/framework

REDUCED PARKING MINIMUMS

- For all uses, at least 1 off-street parking space must be provided for each 1,000 square feet of “premium” floor area included in the project.

Suggested Maximums

The aim here is to suggest a maximum number of reserved/private parking spaces, while providing options for developers who want to build above this. These options are to share enough parking to offset the impact of the proposed supply, or to pay a fee that will help fund offsetting mobility and TDM investments. The recommended code elements are as follows.

- For all uses, no more than 1 off-street parking space may be provided as reserved parking for each 1,000 square feet of usable floor area.
- Up to 200% of this amount may be provided, if:
 - the first 25 spaces provided, and at least half of all spaces provided, are offered to the DDA to be managed as part of the public parking system; or
 - the first 25 spaces provided, and at least half of all spaces provided, are managed independently as public parking, according to guidelines identified by the DDA.

When a developer chooses to share parking in order to build above the maximum, the result will be more public parking for the immediate area, which can encourage reinvestment in nearby properties. When a developer chooses to pay the fee instead, the resulting revenue can help expand car-share, bike-share, and transit access in the area to help maintain an optimal mobility balance as Downtown continues to grow.

Fee Alternatives

Minimum parking requirements are applied to acknowledge that new land uses will generate new parking/access demand. Maximums are suggested to acknowledge that the over-accommodation of parking demand can have a negative impact on Downtown walking, cycling, and transit conditions. The fee alternatives described below are intended to provide developers maximum flexibility, while providing the City/DDA with the resources to maintain equilibrium within the overall parking system and the Downtown transportation system of which parking is but one, highly-influential component.

- To build less parking than is required, the developer may pay an “In Lieu” fee, based on the number of required spaces not provided, as a contribution toward the funding of the City/DDA public parking system, including its expansion and opportunities to increase its capacity through mobility improvements.
- To build more reserved parking than the project’s suggested maximum, the developer may pay a “Maximum Parking” fee, based on the number of spaces provided in excess of the maximum, as a contribution toward the funding of mobility improvements and TDM that can offset the impacts if the parking provided proves to be excessive relative to demand for market-priced parking.
- All fees will go into the same fund, which can only be used to expand parking, or complement parking supplies with mobility improvements and TDM. The City/DDA is tasked with choosing among these options based on evolving conditions within the Downtown, and its many distinct districts.

COMPLEMENTARY STRATEGIES

Sliding Fee Rates

To make In Lieu and Maximum Parking fee strategies even more effective, the fee rate can be set at a sliding scale. A sliding In Lieu Fee rate would incentivize larger projects — which will tend to have site conditions and geometry that are more suitable for efficient, on-site parking — to meet their parking needs on site. These sites also tend to be the most feasible for a joint-development parking facility, creating a cost-efficiency incentive to explore shared-facility options for these projects. Conversely, it would incentivize developers with more modest parking requirements to choose the fee option, and construct no on-site parking..

Combined, these incentives should result in fewer, larger, more-efficient parking facilities, most of which offer some level of public parking, as Downtown continues to attract premium development projects. This also means fewer driveways and blank building sides, further emphasizing Downtown’s walkability. The figure below shows how a sliding rate might translate for projects, using a “placeholder” base fee of \$5,000, and a fee increment of \$1,000.¹

Figure 1 Sample Incremental Fee Table

Number of Spaces built below the minimum, or above the maximum	Per Space Fee @ \$5,000 + \$1,000 per required space	Total Fee
1	\$6,000	\$6,000
5	\$10,000	\$50,000
20	\$25,000	\$500,000
35	\$40,000	\$1,400,000
50	\$55,000	\$2,750,000

This same approach can be applied to the Maximum Parking Fee, reducing the cost of building a few spaces above the maximum, while greatly discouraging truly excessive amounts of private parking.

Crediting Independently Managed Public Parking

To be recognized as public parking, and credited as such in the development approval, independently managed spaces must meet the following criteria.

- Be designated as public parking, by appropriate signage and markings
- Offer at least 12 total hours, and 8 contiguous hours, of public parking in any 24-hour period
- Be managed according to a management plan, approved by the City and the DDA.
 - At a minimum, such a plan will identify the hours and rates for all public spaces, as well as a general facility plan identifying the location of these spaces, points of access to them, and all equipment to be installed to manage and maintain public access to the facility.

TDM Requirements

Structures which exceed the normal maximum usable floor area by providing floor area premiums, or PUD-zoned structures that exceed 300% of lot area, shall include at least two of the following TDM amenities.

¹ The final fee rate should be set, based on a cost/benefit analysis based on a series of development scenarios, to ensure that the fees would be effective in their role as incentive and sufficient to provide meaningful revenues for building public parking.

- go!pass participation: Provide funding for all tenant-employees for at least one year.²
- Unbundled parking: All on-site parking is provided as an optional amenity, at a cost that is distinct from costs associated with renting, leasing, or purchasing dwelling units or commercial space within the development.
- Bike-share:
 - Provide space on-site for a bike-share station, to be located between the building exterior and an adjacent public street, and provide funding to cover all installation costs.
 - Provide funding to cover installation and three years of operating costs for a new, off-site bike-share station.
- Car-share parking: Provide a contractual agreement with a recognized car-share service provider, committing to occupy at least 3 on-site parking spaces for at least one year.
- Bike-share and car-share memberships for all tenants.

WHAT WILL BE FUNDED

Purpose of the In Lieu Fee

The primary purpose of the In Lieu Fee (ILF) is to provide dollars to expand the public parking system, as necessary, to accommodate growth. Because growth in Downtown creates demand for, not just parking, but multimodal mobility and access, the same funds can be used to invest in improved transit, cycling, and walking networks and service levels. As managers of the public parking system, the Ann Arbor DDA has managed public parking revenues with these values – maintaining and expanding the parking system as well as improving walking, biking, and transit networks.

Purpose of the Maximum Parking Fee

The primary purpose of the Maximum Parking Fee (MPF) is to offset the traffic, emissions, and walkability impacts of projects that provide more parking than is anticipated to be necessary for on-site activities, when that parking is not managed as a shared resource. It is also meant to deter developers from over building parking that is not shared (& thus will sit empty for portions of the day). For this reason, it is best practice to use the funds generated to improve transit, cycling, and walking networks and service levels. In addition, because parking that triggers a MPF is not shared to accommodate area-wide parking needs, the same funds can be used to expand public parking, as needed, in Downtown. This approach is in alignment with how the DDA has been managing the public parking system; using parking dollars to support a menu of transportation options downtown in order to effectively manage parking demand and supply.

² Note that this should be amended if a residential go!pass program is developed.

Residential Parking Permit – Technical Details/Framework for Changes

One option for modification would be to develop a range of RPP regulations/restrictions, linked to demonstrated conditions in each neighborhood. Like performance-based pricing of short-term parking, RPP regulations would be adjusted, based on performance measures which would focus on peak-period availability as well as measurable impacts created by non-residential demand.

ALTERNATIVE RPP OPTIONS

Demand-Responsive Restrictions

Strategic options to consider for developing a suite of RPP approaches that could complement the current approach, and ensure that residents maintain consistent access to parking on their streets, include the following.

- Applying restrictions to both sides of the street
- Disallowing parking of any duration by non-permit holders
- Scheduling enforcement to coincide with spillover demand patterns, which may include nights, weekends, or continual enforcement

Since each of these options restricts access to a public resource, maintained at the expense of all City of Ann Arbor taxpayers, their application should be justified, based on demonstrated measures of reduced residential access to neighborhood parking. The City should, therefore respond to petitions from residents by completing appropriate field surveys of curbside occupancy/availability conditions, and base any changes on relevant findings. The current RPP regulations, for example, likely will remain the best option for many areas. In areas, where spillover demand is shown to be, or likely to become, a constraint on residential parking access, alternate approaches can be approved.

A PERFORMANCE-BASED ALTERNATIVE

Many cities define three thresholds for establishing new RPP districts.

1. Majority Support - A petition signed by a defined majority of households in the proposed district.
2. Demonstrated Need – Following acceptance of a valid petition, many cities will conduct occupancy surveys to document availability conditions and compare to thresholds for demonstrating reduced availability at peak-demand times.
3. Demonstrated Opportunity – Some cities also require that occupancy surveys document that a significant share of cars parked at times of diminished availability are non-resident vehicles.

The first threshold is a response to the burden that RPP places on households accustomed to free parking on their neighborhood streets. Such residents often resent “having to pay” to park on their street. Therefore some level of majority support for the change is typically required. The City of Ann Arbor’s threshold is for 60% of the district’s households to be represented by a signature on a petition.

The second measure defines both the “need” that must be demonstrated for RPP to be established, and the performance measure upon which the “success” of an RPP program should be evaluated. So, in the District of Columbia, for example, availability must be documented at 30% or less to demonstrate a need for RPP. By default, this defines the aim of RPP as maintaining availability above 30% at all times.

The third measure identifies the potential for RPP to achieve greater availability by reducing demand by non-permit-holders. If only a fraction of the demand limiting availability is from cars that would be ineligible for a resident permit, RPP would be unlikely to provide meaningful improvement. This is more relevant within high-density residential districts, but could become useful should higher-density residential development become more common along the edges of Downtown.

Establishing Current Performance

The first step in preparing the City's RPP program for continued Downtown growth would be to use occupancy surveys to measure current program effectiveness, using the 2nd and 3rd measures identified above. Steps for this process might include the following.

1. Define availability thresholds for near-Downtown residential streets, based on the ideal that a "reasonable" level of availability remains, even during peak-demand conditions.
2. Identify all streets with RPP regulations
3. Define high-impact periods where A) curbside occupancy on these streets is likely to be at or near peak conditions, and/or B) non-resident occupancy is likely to be at peak levels.
4. Complete surveys of all RPP streets at these times, and compare measured availability against the identified RPP threshold.
5. Identify and map streets on which availability was measurably below the threshold measure.

This will provide a broad measure of effectiveness for the current program, and identify areas where demand may be intense enough to merit modifying the program's curbside restrictions. It will also provide a sense of how prepared the current program may be to address any significant increase in non-residential parking demand, whether resulting from development, zoning changes, nearby parking rate increases, or similar changes characteristic of thriving urban/mixed-use districts.

Developing Performance-Based Regulations

The performance measurements may indicate a need to modify the City's RPP regulations/restrictions to address current shortcomings. But, even if no current shortcomings are indicated, the City may want to modify its program now to ensure that it can address spillover-parking concerns related to growth, proposed zoning changes, and performance-based hourly and commuter parking rates.

A basic approach for this would be to:

1. Leave the program as it is, assuming that most to all current RPP blocks are shown to be functioning well; but
2. Allow residents to petition for stronger non-resident restrictions, such as simultaneously applying restrictions to both sides of the street and/or reducing the time limit for non-permit-holders; while
3. Requiring surveys that confirm reduced availability for those petitions to succeed.

This modification to the existing RPP program would provide added reassurance to residents concerned about increased Downtown parking demand, or driver response to higher Downtown parking costs, spilling over into their neighborhoods. At the same time, it makes clear that more restrictive RPP regulations will only be applied to maintain "reasonable" levels of availability for resident access, and not to provide residents with exclusive claims to the streets in front of their homes.

It is also important to note that this level of increased reassurance will have a cost. The labor required to complete the surveys required for greater RPP restrictions, the added administrative efforts required to process more and more complex resident petitions, and even the added complexity of the signage required to communicate these new restrictions, will add to the program's costs which, ultimately, must be recouped through resident permit

fees. One option to consider in light of this is to pilot a program of daytime permits sold to nearby employees. This is something that has been very effective in places like Aspen, CO and Austin, TX, providing low-cost, long-term on-street parking options that support local jobs/businesses and reducing the program's cost burden on residents.

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