

December 26, 2002

**Honorable Chairman and Members of the
Hermosa Beach Planning Commission**

**Regular Meeting of
January 21, 2003**

SUBJECT: DRAFT REVISIONS TO DOWNTOWN PARKING REQUIREMENTS AMENDING
ZONE CODE SECTIONS 17.44.010, 17.44.030, 17.44.040, 17.44.140 AND 17.44.190.

Recommendation:

That the Planning Commission review the draft text amendments and direct staff as deemed appropriate.

Background:

A moratorium ordinance prohibiting the change of existing retail space to restaurant use expired on November 13, 2002. The moratorium was intended to provide time to study potential ways to regulate land use and parking in order to preserve existing downtown retail space and balance parking demand. With the expiration of the moratorium in November, it is now permissible to convert existing retail space to restaurant use. On October 22, 2002, the Council reviewed several implementation measures relating to parking standards for retail and restaurants. The proposed standards help balance downtown parking demand and supply. In the evening, the demand for parking is greatest when restaurants are heavily occupied. During the daytime there is generally ample parking supplied for all downtown uses. On November 12, 2002, the City Council directed staff to prepare a draft text amendment for downtown parking standards and referred the matter to the Planning Commission for consideration in January.

Analysis:

The City's Zone Code provides parking regulations that are specific to the downtown and some which are citywide. The City Council determined that conditions in the downtown are unique and that more restrictive restaurant parking standard and a less restrictive retail parking requirement should apply to the downtown exclusively. The proposed regulations involve:

1. *Increasing the parking ratio for restaurants by eliminating the change of use credit allowed for restaurant projects of 5,000 square feet and less; and*
2. *Decreasing the parking ratio for retail and office from four to three spaces per 1,000 sq. ft.*

Current Downtown Parking Requirement for Restaurants and Retail/Office:

- Restaurant 5,000 sq. ft or less: 1 space/100 Sq. Ft. gross floor area or 10/1,000 sq. ft.
- Retail/Office: 1 space/250 SF gross floor area or 4 /1,000 sq. ft.
- One in-lieu parking space fee: \$12,500/space.
- Change of Use: Parking requirements based on a credit calculated as difference between the existing use and new use.

Proposed Changes:

- Restaurant: 5,000 sq. ft or less: 1 space/100 Sq. Ft. gross floor area or 10/1,000 sq. ft.
- Retail/Office: 1 space/62.5 Sq. Ft. gross floor area or 3/1,000 sq. ft.
- One in-lieu parking space fee: \$12,500/space or \$18,000/space if land cost applied.
- Change of Use: Parking requirements for restaurants of 5,000 sq. ft. or less are based on the proposed use only.

Staff suggestion:

For all other projects, the parking credit to be set at the retail parking requirement of 4/1,000 or a less restrictive requirement approved by Parking Plan.

New Calculation for Restaurant Projects of 5,000 sq. ft. or Less

The proposed regulation eliminates the change of use parking credit for restaurants which is to be based solely on the new use under consideration. Currently, a credit is allowed in calculating the parking requirement for all uses, which means that all previous uses for a property which were more intensive (i.e. movie theaters, bars, etc.) will no longer be considered in the restaurant parking requirement for projects of 5,000 sq. ft. or less. There will be no parking credit. For retail and office uses or larger restaurants, the requirement for additional parking will still be calculated as *the difference between the parking requirement for the new use and the required parking for previous use* unless additional regulations are established. This means that certain large multi-tenant buildings will still have a large parking credit available for non-restaurant uses unless additional parking regulations are established.

The elimination of a parking credit for restaurants means that each project must provide the full complement of required parking. The proposed change means a typical project of 3,000 sq. ft. must provide 30 parking spaces (100% of the required parking) which is approximately 60 % more parking than is currently required. This change will result in 18 additional spaces per typical downtown project (the difference between the old requirement and the new requirement of 30 spaces) which if satisfied with an in lieu payment would cost \$375,000. The resulting increase in the parking requirement will discourage retail to restaurant conversions, since it has such a large economic impact on project costs. Only a well capitalized business can afford the cost to provide in lieu parking at 10 per 1,000 sq. ft.. The added costs provide a significant hurdle for the development of new or expanded restaurants and may help ensure that future development does not exacerbate the peak evening parking demand. Furthermore, since virtually no on-site parking is available in the downtown, the only means to provide parking is through an in lieu payment program. This program is used to eventually construct public parking in the Vehicle Parking District pursuant to City and Coastal Commission approval.

New Retail/Office Parking Requirement:

Generally, for new retail or office use conversions, no additional parking is required based on the current code provisions. The proposal to relax parking for retail/office use means that redevelopment or expansions to existing commercial buildings will be required to provide 25% less parking or 25% less in lieu fees. The parking reduction may be an incentive to develop new retail space in the downtown. This proposed change effectively decreases the parking supply in the downtown and must also be approved by the Coastal Commission.

Additional Recommendations:

Staff also recommends eliminating the large parking credit for certain existing buildings and creating a baseline for parking of all downtown uses as of January 1, 2003³. A baseline will equitably set the parking requirements for all non-restaurant uses which are 5,000 sq. ft. or greater and all other uses at the rate of 4 spaces per 1,000 regardless of the previous use. This will help further balance the downtown parking supply where certain larger parcels may be redeveloped and be eligible for a credit that is particularly high because the previous use was a theater or bar. (Please see attached parking calculation examples.)

Conclusion:

The City Council determined that the best solution for creating parking balance in the downtown is to eliminate the restaurant parking credit for previous uses on a property and to decrease the retail/office parking requirement. These changes in conjunction with the current in lieu fee program and a new baseline for parking will discourage retail to restaurant conversions and help balance the supply of parking. The City may accept in lieu parking solely at its discretion and providing parking in lieu for a project is always subject to discretionary review. The in lieu parking program is also subject to Coastal Commission approval which is typically concerned about project parking relative to the parking supply available for beachgoers.

Generally, since public parking is well supplied in the daytime and since no additional retail parking is required to occupy an existing downtown space, only new retail or office development will be affected by the proposed reduction in the retail parking ratio. Furthermore, the proposed regulations provide some flexibility to redevelop the larger underdeveloped sites since parking credits and the in-lieu program will also be available.

Sol Blumenfeld, Director
Community Development Department

Notes:

-
1. Larger buildings such as the Bijou Building, 200 Pier Avenue, Loreto Plaza, etc.
 2. A new survey of the Downtown land uses was prepared in December 2002.

Attachments:

1. Draft Resolution
2. Map of Downtown Vehicle Parking District

<p>17.44.040 Parking requirements for the downtown area.</p> <p>The following requirements apply within in the boundary of the downtown area, as defined by the map incorporated by this reference.</p> <p>A. The amount of parking shall be calculated at sixty-five (65) percent of the parking required for each particular use as set forth in Section 17.44.030.</p> <p>B. Building sites equal to or less than ten thousand (10,000) square feet: If the floor area to lot area ratio is 1:1 or less no parking is required. If the floor area to lot area ratio exceeds 1:1 only the excess floor area over the 1:1 ratio shall be considered in determining the required parking pursuant to subsection A of this section.</p> <p>C. Bicycle racks/facilities shall be provided and/or maintained in conjunction with any intensification of use, or new construction, in an amount and location to the satisfaction of the planning director. (Ord. 94-1099 § 1, 1994: prior code Appx. A, § 1152.5)</p>	<p>17.44.040 Parking requirements for the Downtown District.</p> <p>The following requirements apply within in the boundary of the Downtown District, as defined by the map incorporated by this reference.</p> <p>A. The amount of parking shall be calculated for each particular use as set forth in Section 17.44.030 with the exception of the following:</p> <ol style="list-style-type: none"> 1. Retail, general retail commercial uses: one space for each 333.3 square feet of gross floor area (or 3 spaces per 1000 square feet) 2. Offices, general: one space for each 333.3 square feet of gross floor area (or 3 spaces per 1000 square feet) 3. Office, medical: one space for each 333.3 square feet of gross floor area (or 3 spaces per 1000 square feet) <p>B. When the use of an existing building or portion thereof of less than 5,000 square feet gross floor area is changed from a non-restaurant use to a restaurant use, the parking requirement shall be calculated as set forth in Section 17.44.030, with no parking credit allowed for the existing or prior use.</p> <p>C. When the use of an existing building or a portion thereof is changed to a more intensive use with a higher parking demand (with the exception of restaurants less than 5,000 square feet gross floor area as noted above), the requirement for additional parking shall be calculated as the difference between the required parking as stated in this chapter for that particular use as compared to a base requirement of 1 space per 250 square feet gross floor area.</p>
<p>17.44.140 Requirements for new and existing construction</p> <p>D. For every building in a C or M zone hereafter erected, or reconstructed, or expanded, the parking requirements and turning area for the entire building shall be as set forth in this chapter. However for an expansion of an existing building legally nonconforming to parking requirements, parking requirements shall only be applied to the amount of expansion, subject to Section 17.44.040 for expansions in the downtown area. In no case shall new construction reduce the parking serving an existing use below the requirements of this chapter.</p> <p>E. When the use of an existing building or structure is changed to a more intense use with a higher parking demand there shall be no additional parking requirement for sites in the downtown area except to the extent there is a change of floor area to lot area ratio in excess of 1:1. Otherwise, the requirement for additional parking, shall be calculated as the difference between the required parking as stated in this chapter for that particular use as compared to the requirement for the existing or previous use which shall be met prior to occupying the building unless otherwise specified in this chapter.</p>	<p>17.44.140 Requirements for new and existing construction</p> <p>D. For every building in a C or M zone hereafter erected, or reconstructed, or expanded, the parking requirements and turning area for the entire building shall be as set forth in this chapter. However for an expansion of an existing building legally nonconforming to parking requirements, parking requirements shall only be applied to the amount of expansion. In no case shall new construction reduce the parking serving an existing use below the requirements of this chapter</p> <p>E. When the use of an existing building or structure not located in the downtown district is changed to a more intense use with a higher parking demand the requirement for additional parking shall be calculated as the difference between the required parking as stated in this chapter for that particular new use as compared to the requirement for the existing or previous use , which shall be met prior to occupying the building unless otherwise specified in this chapter. For changes of use to buildings located in the downtown district see Section 17.44.040.</p>

17.44. 190 Off-street parking within vehicle parking districts.

A. Parking requirements within parking districts shall be as provided in this chapter, except that when the city council provides for contributions to an improvement fund in lieu of parking spaces so required, said contributions shall be considered to satisfy the requirements of this chapter.

If the downtown business area enhancement district commission determines that the private party is responsible for the in-lieu fee, the private party shall pay said fee as requested by the DBAEDC.

B. The building director shall be responsible for the calculations required under this chapter and the building department shall calculate and collect the in-lieu contribution for, and as directed by, resolutions passed by the vehicle parking district commission, as approved by the city council.

C. The following allowances for parking may be allowed with a parking plan as approved by the planning commission and as prescribed in **Section 17.44.210**.

1. Building sites containing less than four thousand one (4,001) square feet with a ratio of building floor area to building site of one to one or less may pay an "in-lieu" fee for all required spaces.
2. Building sites of less than four thousand one (4,001) square feet where buildings will exceed a one to one gross floor area to building site area ratio shall be required to provide a minimum of twenty-five (25) percent of the required parking on-site.
3. Building sites containing four thousand one (4,001) square feet or greater but less than twelve thousand one (12,001) square feet shall be required to provide a minimum of fifty (50) percent of all required parking on-site.
4. Building sites with or greater than twelve thousand one (12,001) square feet shall be required to provide one hundred (100) percent of all required parking on-site. (Ord. 94-1099 § 4, 1994; prior code Appx. A, § 1167)

17.44. 190 Parking in-lieu fees within the Downtown District.

A. Parking requirements within the Downtown District shall be as provided in Section 17.44.040, except that when the city council provides for contributions to an improvement fund in lieu of parking spaces so required, said in-lieu fee contributions shall be considered to satisfy the requirements of this chapter.

B. The Director of the Community Development Department shall be responsible for the calculations required under this chapter and shall calculate and collect the in-lieu contribution.

D. The following allowances through in-lieu fee contributions for parking may be allowed with a parking plan as approved by the planning commission and as prescribed in **Section 17.44.210**:

1. Building sites with a ratio of building floor area to building site of one to one or less may pay an "in-lieu" fee for all required spaces.
2. Building sites where buildings will exceed a one to one gross floor area to building site area ratio shall be required to provide a minimum of twenty-five (25) percent of the required parking on-site.