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MEMORANDUM

TO: Mauricio Leclerc
FROM: Rick Williams, RWC
DATE: June 4, 2015

RE: **WHITE PAPER: Central City Transportation Plan Update – Issues and Considerations**

A. INTRODUCTION

The City of Portland is considering revisions and refinements to the Central City Transportation Management Plan (CCTMP) as a means to improve its usability and to update its provisions to better reflect and support current and future market conditions. The CCTMP was adopted in January 1996 and has not been significantly modified since that time. Since 1996 substantial changes have taken place in the Central City Districts in terms of development growth (and the character of development) and investment in transportation infrastructure (e.g., transit/rail and bike systems).

The original intent of the CCTMP was to review and make modifications to the plan every 7 years, through periodic review. Unfortunately, this has not happened and elements of the CCTMP have not kept abreast of realities, barriers and opportunities that currently reflect the economic development environment within the Central City. To this end, the City is moving forward with a review of the CCTMP in concert with a representative Central City Parking Policy Update Stakeholder Advisory Committee (SAC). One role of the SAC will be to provide input into elements of the CCTMP that limit its effectiveness, usability and relevance to the goals and objectives originally established in the plan for managing parking and transportation in a growing Central City.

The purpose of this “white paper” is to provide the SAC with a framework of information from which to begin discussing specific issues within the CCTMP. The issues herein described have been assembled by City staff over the course of discussions with community members through multiple forums and planning processes over the past several years. Issues have also been compiled with input from planning and development staff. These are staff who routinely review development proposals and have firsthand experience with elements of the CCTMP that appear to no longer remain relevant or hinder, limit or unnecessarily burden the development review process. The issues list assembled here is not assumed to be exhaustive, rather what appears to be a common list of issues that have been vocalized routinely over time. As stated above, this is a framework of information that provides the SAC with a place to start productive discussions and input.

B. CCTMP KEY POLICY GOALS

The Central City Transportation Management Plan and Policy is a comprehensive document that provides the foundation for what became specific code language for regulating parking development in Title 33 of the City's development code.¹ There are numerous goals, policies and objectives that make up the document. For the purposes of this discussion, four key goals are summarized here as foundation elements of the CCTMP. Understanding and reaffirming these key elements should help the SAC as it evaluates the issues list. These foundation elements include:

1. *Air Quality.* When the CCTMP was developed it became a key strategy for the City's compliance with the Federal Clean Air Act air quality standards. As such, provisions related to parking maximums, establishment of mode split goals for accessing the Central City, limiting non-accessory use (accessory use is parking for the exclusive use of the development it was built for) of certain parking types and "pinching" (i.e. allowing less parking to be built than the market would demand) parking demand (and vehicle trips) influenced code outcomes.
2. *Economic Development.* The CCTMP was intended to support jobs and housing growth in the Central City. This goal envisioned capturing a greater share of regional employment and housing growth in a manner that minimized "auto-oriented" development patterns and maximized planned investments in transit, bike and pedestrian access. As with Air Quality, this goal influenced code outcomes, in different maximum parking standards across Central City Districts and provisions for parking by type of development (e.g., growth, visitor, residential, hotel, Preservation).
3. *Mode Split Goals.* The CCTMP very strategically prioritized reducing long-term vehicle trip growth (particularly employee auto use in the commute peak hours) through increasing reliance on transit, bike and pedestrian trips. Mode split goals for each unique Central City District were adopted based on envisioned levels of non-auto mode options. Code provisions were then tailored for each district based on differences in levels of alternative mode capacity. Mode goals heavily influenced maximum parking ratios, with the Central Business District having the lowest parking maximums and the highest levels of service. Over time, through periodic review, code provisions were intended to be "recalibrated" by district to continually reflect the relationship between the amount of parking allowed and the capacity of available alternative modes to accommodate growth in trip demand.
4. *Preservation Buildings.* An underlying assumption of the CCTMP is that all buildings are entitled to some level of parking. Older and historic buildings generally lacked dedicated parking and were reliant on commercial surface parking lots. Future development projects would result in the surface lots being replaced by new buildings thereby reducing the supply of parking for older and historic buildings. This was seen as a threat to the on-going viability/marketability of these

buildings. To this end, Preservation Parking was established within the code to ensure that there was a means for these types of buildings to develop parking and remain competitive. In the code, this translated into maximum parking ratios for Preservation Buildings (by Central City District) and a process through which Preservation entitlements could be incorporated and/or transferred into parking development projects.

As with any comprehensive plan, its goals, objectives and policies are often intricately interrelated which, at times, may seem overly complicated or confusing. In the case of the CCTMP, translating and implementing this in code created a parking chapter that is nearly 100 pages in length. This is not to argue that the complexity of the CCTMP is a good or bad thing, only to encourage members of the SAC to determine whether the fundamentals that establish the foundation for the CCTMP continue to be relevant and necessary as changes and revisions to the code are evaluated.

C. CONSIDERING CHANGE

As noted earlier, City staff has compiled a list of CCTMP related issues for consideration by the SAC and as a context for discussing change, stimulating additional ideas and providing guidance to staff. They are summarized here in a format that attempts to provide a brief context of the issue as well as consideration of a solution or solutions. The solutions offered are not intended to be recommendations at this time, but a basis to manage the overall discussion of the topic among the diverse group that comprises the SAC.

The primary desired outcome will be to establish a more relevant and market sensitive CCTMP that continues to support the values of the original foundation elements and can be organized into a more usable, efficient and streamlined format.

As a summary of the detailed issues listed below, the basic framework would be to:

- Reaffirm the key foundation elements of parking policy for the Central City.
- Adjust maximum ratios and introduce new maximum ratios where there are none with the intent of encouraging redevelopment and economic vitality while encouraging non-auto trips and clean air.
- Increase the flexibility of use of existing and new parking to maximize efficiency of existing parking and lessen the pressure to build as much new parking.
- Continue to prohibit new surface parking lots with no development. Limit and potentially prohibit new surface parking lots with development in all districts.
- Significantly simplify the zoning code, by standardizing the parking operations for historic buildings and transfer of parking entitlements, and streamlining or eliminating requirements that can't be realistically monitored.

¹ See: Central City Transportation Management Plan: Plan and Policy (City of Portland Office of Transportation, Bureau of Planning, December 1995)

All the issues are provided in a matrix format as well, which is included at the end of this document as **Appendix A.**

D. ISSUES TO CONSIDER

1. Maintain the policy framework that structures parking regulations to support goals for Air Quality, Economic Development, Mode Split Goals and Historic Preservation.

Key foundation elements of the CCTMP structured code to support achievement of specific goals and outcomes in the areas of Air Quality, Economic Development, Mode Splits and Preservation of historic buildings. The intended outcome was “assuring growth with livability,” and viewed parking as a mechanism to both accommodate demand for access and serve as a platform for transitioning automobile access demand to other modes. The new policies emanating from the Central City 2035 Plan process (Central City 2035 Plan, N/NE Quadrant Plan, West Quadrant Plan and SE Quadrant Plan), as well as the City’s Comprehensive Plan support and reinforce the four foundation elements of the CCTMP. The plans call for aggressive measures to address air quality via carbon emission reductions to address climate change, preserve historic buildings, promote non-auto trips and encourage economic development and the build out of the Central City (see previous documents).

Potential solution: Reaffirm the key foundation elements of the CCTMP and use these elements as context when making changes to regulatory provisions of the CCTMP.

Question: Does the SAC endorse the reaffirmation of the four key foundation elements of the CCTMP?

2. Adjust or “recalibrate” maximum parking ratios.

Maximum parking ratios are a key piece of the CCTMP. The initial core assumption was to “pinch” ratios and correlate parking allowances to a reasonable set of alternative mode split goals by Central City District. There are 26 parking sectors in the Central City that have ratios assigned to them. Ratios are not only correlated to the districts but to individual development types that might occur (e.g., office, retail, medical, residential, hotel, theater and institution). Ratios for office range from as low as 0.70 per 1,000 SF (CBD) to as high 3.4 per 1,000 SF for areas within the Central Eastside and the South Waterfront. Ratios for residential development range from a maximum of 1.35 per unit (CBD) to 1.7 per unit (South Waterfront) to unlimited in other Central City districts. Overall, the intent of the CCTMP was to adjust ratios over time based on increases in access capacity created in districts through investments in transit, bike and pedestrian infrastructure. This would continue to “pinch” the parking supply and bring evolving business districts and parking sectors (i.e., Lloyd, Central Eastside, River District and South Waterfront) more in line with the downtown; creating a “more level playing field.” There is some evidence to suggest that the sheer economics of parking development (cost to build) is

already precluding several districts from feasibly building parking to reach current allowed maximum parking ratios.

Potential solution(s):

- a. There is likely a need to recalibrate office and retail ratios within Central City parking districts to both reflect evolved transit/bike/walk capacities and true market economics for parking development. This could result in a potential increase in maximum ratios in the core, where the 0.70 standard may be too low and corresponding reductions in current maximums in other districts to achieve a longer term trend toward “less” parking built within the entire Central City as growth continues.
- b. Consider adjusting current maximum residential ratios to a more uniform Central City standard and introducing maximum ratios in Central City districts where there are no maximums today. Initial data suggests that few residential developments in the Central City are building more than 1.0 per unit.
- c. Recalibration of ratios downward could be used to justify allowing more flexible operation within approved parking types that is currently not allowed (e.g., shared use of residential and limits on specific monthly pass sales in Preservation Parking) [See Issue 5, below].
- d. Consider reducing the number of parking sectors from 26 to fewer as part of a code simplification effort facilitated by standardizing ratios across the Central City where possible.

Question: Does the SAC endorse adjusting/recalibrating the parking ratios based on the suggestions stated above?

3. Surface Lots (with no new development)

All parking sectors are prohibited from adding new surface parking that is unassociated with the creation of new building area. The intent here was to promote higher density development and to ensure that parking is not added to the supply that would create conflicts with the intent to limit the use of “undedicated general” parking to bypass the mode split goals supported by maximum parking ratios.

Potential solution: Continue (reaffirm) the prohibition on new surface parking that is not associated with the creation of new building area.

Question: Does the SAC support a continued prohibition on surface lots that are not associated with new development?

4. Surface Lots (with new development)

The current CCTMP code regarding surface parking lots is both specific and convoluted; with unique allowances depending on which Central City District or parking sector is considered. It should be reiterated that the provisions established in the CCTMP were developed in 1996 and may not be relevant to 2015. The intent in 1996 was to limit surface lot development as a means to promote density. Also, it appears that few developments that have occurred since 1996 have actively applied for surface parking as a component of the development application. This is likely due to the fact that these new developments are taking place on surface parking lots. The question on the table is whether the lengthy code provisions related to surface parking in the CCTMP are necessary, particularly given the nuances that distinguish those code provisions. Find current code language related to surface parking in the unique parking sectors of the Central City in **Appendix B**.

Potential solution(s):

- a. Prohibit new surface lots with new development. More flexibility in the use of parking (see issue #5 below) would be allowed so long as new parking is built in a structure or underground. [Maybe landscaping requirements in the code are no longer needed.]
- b. Move all districts to the current downtown standard (33.510.263 A.2.)
- c. Couple with maximum ratios for all uses (Issue 2, above) and elimination of “accessory” operating restrictions on residential, hotel and Preservation parking [see Issue 5 below].
- d. There is a need to clarify the intent of the 200,000 sf of “capped” surface parking stalls in the South Waterfront district regarding: (1) City's ability to build surface parking beyond cap, (2) the ability to move "capped" stalls around the district as redevelopment occurs, and (3) define whether “capped” stalls are permanent or sunset.

Question: Does the SAC support broadening the prohibition on surface lots with new development to all Central City districts and eliminating operating restrictions on all parking built under a maximum ratio?

5. Operating restrictions: Accessory and Shared parking (allowing all approved parking to share uses).

The CCTMP code is highly nuanced in how new parking (a) is approved and (b) is allowed to operate once it is approved. For instance, if parking is approved as “Growth” parking (associated with new office or retail) there are no operating restrictions placed upon it. Growth parking can be operated to support the new building area it accompanies or any other use (general public commercial access). Conversely, parking approved for residential, hotel or Preservation parking comes with various restrictions on its operation. Residential, with a few exceptions, is restricted to accessory uses all days, all hours. Hotel is limited to hotel uses only Monday through Friday between the hours of 7AM and 6PM and Preservation Parking is limited

in building types to which it can sell monthly parking. Unfortunately, with all the nuances and “restrictions” imposed; once new parking has been approved, there are really no mechanisms in place within the City (enforcement) that actually tracks, reports and monitors the operating restrictions that were placed on the new parking once it clears the development review process. By eliminating operating restrictions for new parking, the ability to share parking would be enhanced and large sections of the code that characterize parking restrictions by unique Central City parking sector could be eliminated with a standardized Central City approach. Likewise, entire sections on reporting and monitoring (semi-annually) as current conditions of use would also be eliminated.

Time and consideration should also be given to current “accessory” restrictions in place on existing facilities. As an example, existing surface facilities in the Central Eastside are not allowed to share access with non-accessory users. As such, efforts to reduce the use of the on-street supply by employees and residents are limited.

Potential solution(s):

- a. Eliminate “accessory” restrictions on all parking approved under a maximum ratio and in a structure.
- b. Eliminate reporting/monitoring requirements for all parking approved under a maximum ratio and in a structure.
- c. Consider similar flexibilities for existing parking facilities (e.g., Central Eastside, Lloyd District).

Question: Does the SAC support allowing more flexible operating uses for approved parking? This would likely involve support for recalibrated maximum ratios (Issue 2) and a Central City wide prohibition on new surface lot development (Issue 3), bringing all Central City Districts to the downtown standard.

6. Transferring Parking Entitlements

Within the framework of the CCTMP, all commercial buildings are entitled to parking based on the maximum ratios in place in their specific parking sector. This was developed as a means to protect older and historic buildings that would experience growing parking constraints (and therefore marketability issues) as the surface lots they historically relied upon were redeveloped.

As a Preservation building, a building maintains its Preservation parking entitlement to be built at a later date (whether on/under the site) or transferred into a future new development. If built, the entitlement is (a) limited to the maximum ratio for Preservation parking in that parking sector and (b) restricted in operation for the sale of monthly parking to only the entitled Preservation building(s). As discussed in Issue 5, these operating restrictions (and requirements

to report operations) are not tracked or monitored. Finally, several parking sectors in the Core Area (i.e., downtown, River District) have Preservation parking entitlements that are set at a maximum ratio that is actually less than those established for Growth parking.

Under the current code, all parking associated with a new development must be in place concurrent with the development. If parking is not provided in this manner, the building actually becomes a “Preservation building.” The downside of this is that if a new building does not build up to its full “entitlement,” it (a) loses the operating flexibility of Growth parking and (b) may see its allowed ratio for parking reduced.

Other nuances in the Preservation parking code do not allow Preservation entitlements for Residential and Hotel in certain downtown parking sectors (33.510.263 B. 1. 4 (b)) or in the South Waterfront. In other parking sectors (e.g., Lloyd, Central Eastside, Goose Hollow, Lower Albina, River Districts 1 & 2), Preservation Parking is allowed for office, “uses other than office,” and “mixed office uses.” These categories could be much more broadly interpreted but, as with other areas of the code discussed in this paper, it raises questions if the sector by sector distinctions are still necessary and simply add complexity and length to the code rather than support the original foundation elements of the CCTMP (Issue 1).

Currently, all surface parking lot stalls that have been lost to redevelopment since 1996 are supposed to be tracked and accounted for in a “Preservation Parking Reserve.” Reserve spaces are then available for use by buildings with unused Preservation entitlements. Preservation Parking entitlements are also supposed to be tracked in all parking sectors through an Eligibility List that ensures that buildings (a) have entitlements (i.e., buildings with no parking or with less parking than allowed by ratio) and (b) only use or assign their entitlements once (i.e., “no double counting”). This tracking function is the responsibility of the City’s “Parking Manager.”

Discussions with staff indicate that the City has not kept up with the Eligibility List or the Preservation Parking Reserve. Consideration should be given to a more efficient way to approve development of parking entitlements in the future.

Potential solution(s):

- a. Set all Preservation parking ratios at the same level as those for new development.
- b. Eliminate Preservation operating restrictions and allow all parking approved under maximum ratios to operate as Growth Parking.
- c. Consider Preservation entitlements for Residential and Hotel.
- d. Eliminate Eligibility List and Preservation Parking Reserve.
- e. Consider a more efficient approach to accounting for approval of parking entitlements in the future.

Question: Does the SAC support an approach that would allow parking entitlements to be carried for all parking types (as long as building area is associated with the entitlement and a parking maximum? Would the SAC extend the “preservation” entitlement to residential and hotel buildings?

7. Visitor Parking

Visitor parking is the only “allowed” parking in the code that can be built without being associated with a particular development. Visitor parking is also very strictly conditioned to ensure that the parking built is only provided to shoppers and visitors. To this end, the sale of monthly parking is prohibited in approved Visitor facilities.

Justifying Visitor parking for approval is difficult as the process requires a demand analysis of all parking (on and off-street) within 750 feet of a proposed Visitor Parking site. The analysis must demonstrate that parking in the 750 foot demand shed is in excess of 85% occupied and is not available during a midday, weekday. The demand analysis is not only difficult, but is useless to demand generators with evening or weekend peak hours.

Since adoption of the CCTMP few Visitor facilities have been constructed and, as in the case of all operationally restricted parking types, little to no enforcement of operations takes place once a new parking facility is approved. However, without some type of Visitor Parking provision it would be unlikely that, for instance, new SmartPark facilities could be justified as they represent facilities “not associated with particular developments.”

Potential solution(s):

- a. Reconsider on-going need for Visitor Parking – i.e., parking not associated with particular developments.
- b. Consider reevaluation of current “demand criteria” for determining visitor need.
- c. Evaluate more realistic options for approving future visitor facilities, particularly City owned and operated SmartPark garages.

Question: Does the SAC support (a) eliminating Visitor parking in the code and/or (b) revising demand criteria and approval/operating criteria for visitor parking?

8. Parking Manager and Monitoring

Throughout the CCTMP code, the role of the City’s Parking Manager is routinely called out. The Parking Manager is responsible for maintaining the Preservation Building Eligibility List and the Preservation Parking Reserve. The Parking Manager is additionally responsible for collecting semi-annual operations reports for all parking built after 1996 and monitoring compliance in all operational categories by parking type approved.

Given that these duties have not been carried out, and would be difficult to enforce if they could be carried out, it is reasonable to question whether the role of Parking Manager (as defined by the CCTMP) would be necessary if the code could be simplified, standardized (where possible) and structured around some of the solutions outlined herein.

Potential solution:

- a. Simplify regulations in general. Consider whether Parking Manager role is needed, and if so, what would be a good role for it and what would be the right, implementable and enforceable monitoring requirements, if any.

Question: Does the SAC believe there is a need and/or role for a Parking Manager in the implementation and monitoring of parking approved; particularly if Issues 2 – 8 are implemented?

E. SUMMARY

The Central City development and access environment has changed significantly since the Central City Transportation Management Plan was developed, adopted and implemented in 1996. As time has progressed, many of the nuances and complexities of what became the “CCTMP parking code” appear as unnecessary, overly nuanced or lagging behind the Central City’s need for continued growth and balanced multi-modal access.

This document has attempted to summarize several broad issues related to the CCTMP; many raised in recent community conversations, planning efforts, development review processes and staff experience. It is hoped that information provided within this white paper serves as a catalyst for engaged and creative discussion with the Central City Parking Policy Update Stakeholder Advisory Committee and staff that lead to solutions that both improve, simplify and streamline the parking code.

Appendix A

[ISSUES MATRIX TO BE PROVIDED SEPARATELY AS ATTACHMENT]

Draft

Appendix B

Current code related to surface parking in the Central City Districts

Downtown: 33.510.263 A.2 Parking in the Core Area Up to 20 parking spaces on a surface parking lot is an allowed use where the parking is adjacent to the building and the total number of parking spaces—of any type—on the site is less than 21. Or, for residential and hotel parking (33.510.263 E 9 & 10), the parking is *on the site*, is less than 40,000 SF and is an interim use, as part of a phased development plan.

Lloyd District: 33.510.264 F.4.a. Parking on surface lots where the total surface parking area on the site is up to 40,000 square feet in area is allowed. Parking on surface lots where the total surface parking area *on the site* is larger than 40,000 square feet in area is subject to CCPR.

Goose Hollow, Central Eastside Sectors 2 and 3, and River District Sectors 1 and 2: 33.510.265 F.4. (1). Parking on surface lots where the total surface parking area on the site is up to 40,000 square feet in area is allowed. Parking on surface lots where the total surface parking area on the site is larger than 40,000 square feet in area is subject to CCPR.

Lower Albina and Central Eastside Sectors 1, 4, 5, and 6 33.510.265 F.4. (2): Parking on surface lots where the total surface parking area on the site is up to 40,000 square feet or where the surface parking area covers up to 30 percent of the site – whichever is larger – is allowed. Parking on surface lots where the total surface parking area on the site is larger than 40,000 square feet and where the surface parking area covers more than 30 percent of the site is subject to CCPR.

South Waterfront: 33.510.267 F.4. (d) No more than 200,000 square feet of new surface parking area may be created in the South Waterfront Sub-district after January 20, 2003. Surface parking is prohibited if it will exceed the district-wide limit; however, the following are exempt from the limitations of this subparagraph and are not counted towards the 200,000 square foot total:

- (1) Surface parking that is operated by the City on a site to be developed as a park in the future. The property owners must execute a covenant with the City which is attached to a record with the deed of the site reflecting the future development and use of the site as a park. The covenant must meet the requirements of 33.700.060; and
- (2) Supplemental growth parking allowed through a CCPR.