The Supply of Parking in Downtown Kirkland

A Report of the Parking Advisory Board

January 2011

Introduction

The parking problem in downtown Kirkland has been characterized by most observers as a shortage of parking supply. But we have learned the importance of better managing existing parking supply is necessary before adding new supply. A companion report addresses our proposal to extend the hours for pay parking in City operated parking lots downtown, while this report focuses on creating more supply once we manage the existing supply well.

This report assesses ways in which deficiency in parking supply can be measured. One way is to examine the usage data as to the frequency of when parking demand exceeds 85% of the parking supply. Another way is to examine the public and private land uses that attract people downtown. A third way is also needed in Kirkland, to examine the legacy of current buildings that do not provide off-street parking. Regardless of the measurement method, the Parking Advisory Board finds there will always be a parking deficiency on a good weather days in the summer season that we will have to live with.

The purpose of this report is to provide a status report on the thinking of the Parking Advisory Board about the nature of the parking problem and how to address the deficiency in parking supply in downtown Kirkland.

Background

The Downtown Kirkland Parking Study and Plan of October 2003 called for effective management of parking to support and facilitate a long-term strategic vision for downtown. I t called for a market-based approach to management of parking. The Study provides a guide to maximizing the City's existing parking resources in conjunction with adding new parking supply that is coordinated with new development.

The report also recommended formation of the Parking Advisory Board to help implement the parking component of the downtown strategic plan. Since its creation the PAB has been working improved management of parking and has explored various ways of adding new supply. In the 2005-2006 period the PAB focus was to earmark new parking revenue for new supply. Next, the PA B examined the cost of building a parking structure with ground floor commercial, but the lack of a suitable site for a free standing garage stymied that effort. The desire for parking that is more integrated with development led the PAB to investigate with stakeholders the notion of the development of a contingency financing plan so that the City could be ready to partner with a developer. This approach floundered due to the lack of support of property owners for an assessment of benefited properties. However, this resistance may be lessening if a more specific development proposal can be generated.

Meanwhile, the PAB has been able to add new parking supply in the form of a surface lot at the Antique Mall site. However, this is not a permanent solution to the deficiency of parking supply.

Assessing Parking Supply

The following three subsections of this report describe different ways by which parking demand and parking supply are related. The first approach is based on looking to market signals to determine the amount of parking that should be provided. Next, we recognize the parking demand of public uses in the downtown area. Then we examine the impact legacy buildings in the downtown have on continuing to parking deficiency by means of "grandfathering" them from parking requirements, if redeveloped.

Excess Parking Demand. A rule of thumb used in parking is that parking ought to be priced at a level to create 85% utilization, leaving 15% available for arriving customers. Since Kirkland does not charge market rates for parking, we have hours that exceed 85% utilization. Figure 1 is a frequency distribution showing the number of hours by rate of utilization for Lake & Central and Marina Park lots, from observing occupancy by survey. This is a labor intensive process that can only be done a limited number of times per year. We are experimenting with estimating occupancy using revenue data from the pay stations by time of day. This enables more frequent and detailed analysis. Table 1 shows the estimated occupancy by 15 minute intervals for August 2, 2010 for the Lake & Central lot. Both methods show the lots exceed the 85% utilization from 6 to 9 PM. This can be interpreted as the lots are priced too low during the peak season, or that there is a deficiency in supply during those times, at that price. We think that raising the price to sustain less than 85% occupancy would drive too much business from downtown Kirkland. Consequently, we interpret the occupancy data as showing a parking supply deficiency in downtown in evenings.

Parking for Public Uses. There are many public properties that contribute to the parking deficiency. These properties include Heritage Hall, the Marina Park, Lee Johnson field, the recent expansion of the Library, the swimming pool, Kirkland Performance Center, the Community Center and the Teen Center. If a parking ratio of spaces per floor area, per seat of performance or stadia, per acre of park use were applied the public spaces, we could estimate the number of spaces of parking that would be required. This would yield a number that would exceed half of the capacity of the Library garage and half of the Marina Park lot, which mitigates some of this public parking demand. The difference is a parking deficiency due to public uses. This implies a public responsibility for part of the downtown parking supply deficiency.

Parking Supply as Impacted by "Grandfathering". There is a deficiency in private parking supply in downtown Kirkland. While downtown Kirkland is pedestrian friendly businesses decry the lack of convenient parking for their customers. Most of downtown Kirkland developed prior to the advent of strip malls wherein parking for patrons is provided on site. Most downtown land parcels are small and completely occupied by one or two story buildings. This legacy of small buildings on small parcels makes redevelopment difficult. Even if redevelopment were to occur, it is unlikely that the private parking deficiency would be reduced as explained here.

Currently, there are 439 private non-residential parking spaces downtown. There is 430,464 sf of commercial floor area downtown. If private parking supply met current code requirements, 1 space per 125 sf for restaurants and taverns and 1 space per 300 sf for other commercial uses, there would be 1,590 private spaces, 1,151 more than is currently provided. However, 552 stalls are provided through the public parking supply in the form of on-street parking (269 spaces), Lake & Central Lot (54 spaces), Marina Lot (1/2 of 120 spaces), and Library Garage (1/2 of 339) for downtown commercial use. Nevertheless, this leaves a current deficiency of 599 spaces.

This estimate of deficiency according to zoning requirements is a crude approximation. The code requirements for downtown parking are not based on local empirical data. In all likelihood they were borrowed from the zoning codes from other cities.

Nevertheless, new commercial development is unlikely to reduce this deficiency in private parking supply because certain floor area is exempt from parking requirements. Essentially, existing floor area is grandfathered from having to provide parking. Even if redeveloped, the amount of current floor area is exempt from parking requirements. Developers would have to replace current off-street parking spaces and provide parking for additional floor area, but not for the redevelopment of current space. New parking spaces that would occur in the redevelopment process will serve new floor area, not current floor area. So, it is unlikely that the current deficiency in private parking supply will be reduced by redevelopment.

If there is not much private redevelopment, the current deficiency may be manageable without the addition of public parking supply. But if there is substantial private redevelopment there will be a need for additional public parking. For example, if 20,000 sf of current floor area were to be redeveloped to 60,000 sf, the developer would have to provide parking for only 40,000 sf, which does not reduce the overall deficiency and may not satisfy lender requirements for parking supply. Consequently, the City might be asked to participate in the project to provide parking for the 20,000 sf of grandfathered parking exemption. T o provide a catalyst for further downtown development, the City might want to provide more parking than this to make up for the deficiency of nearby properties.

Addressing the Parking Deficiency

This analysis suggests there are various ways of addressing the deficiency of downtown parking supply:

- Manage public parking supply by means of time limits, pricing, and ParkSmart.
- Add to public parking supply by means of leasing space, e.g., Antique Mall site. (But if it is privately developed this new public supply may be lost.)
- Build a free-standing public parking garage on city owned land, or buy land.
- Partner with a developer to build more parking than would be required.

This Board favors partnering with a developer, but has not been able to prepare a readiness plan to do so. Downtown stakeholders were reluctant to develop a downtown improvement plan that involved a financial commitment in the flexible form of a Transportation Improvement District that could fund parking and other downtown improvements from a mix of general revenue, parking revenue, and

assessment of benefited properties. Consequently, we are not ready to participate if and when a developer steps up.

However, downtown stakeholders are preparing conceptual drawings of selected sites for parking, and are accepting of a three part financing plan: parking revenue, general revenue, and a local improvement district. They are exploring a mix of retail, office, and parking at Lake & Central, Lakeshore Plaza, and the Antique Mall sites.

If this approach fails, the fallback plan is to recommend that remaining opportunity sites (U. S. Bank, Antique Mall, Eagles, and Kirkland Square) not be redeveloped as residential over commercial, but as office over commercial, so that shared parking can be achieved. This should not be viewed as a mandate; instead incentives may be needed to encourage developers to build office over retail. Incentives may take the form of public participation in shared parking, density bonuses, impact fee reductions, etc.

Remaining Questions

With the addition of 84 spaces at Park & Main (leased at theAntique Mall site), the PAB is confident that supply is sufficient to manage the current demand, characterized by the current depressed economy. However, this is not a permanent solution. The economy will improve and new development will occur, and the Park & Main site will be redeveloped. Consequently, we will continue to investigate new parking supply options.

Additional analysis of parking occupancy using parking revenue data will sharpen our knowledge as to extent of the parking deficiency in terms of the number of hours and days per year. This will provide guidance as to assessing the need to address the problem.

Further analysis of parking demand and supply may be needed, particularly with respect to various build-out scenarios for downtown. This will need to be coordinated with the timing of build out of the Kirkland ParkPlace redevelopment.

The PAB will continue to examine the public and private cost responsibility for financing new parking supply. This is complicated by options for locating the supply and the extent to which it is free standing or integrated with a development project.

The PAB has concluded that a “build it (parking) and they will come” approach is not a viable economic development strategy for downtown Kirkland. Rather, public participation in an integrated development project is more appropriate.