



Meeting Date: May 25, 2023

## **AGENDA MEMORANDUM**

**To:** Planning Commission

**From:** Kevin Wrede, Planning Manager  
Tara Vargish, PE, Director, Development Services

**Title:** Discussion/Recommendation, Multifamily Parking Requirements

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### **Executive Summary**

Town staff has held various discussions with Town Council regarding parking requirements for multifamily developments in March and May of 2023. Most recently on May 16, 2023, Council directed staff to continue outreach regarding various proposed parking ratio requirements.

multifamily Staff has compiled various code and planned development zoning sections that regulate multifamily parking requirements within the Town of Castle Rock, as well as reviewed multifamily parking requirements in the neighboring jurisdictions of Parker, Littleton and Lone Tree. Staff provided a hypothetical development project that proposed a 200-unit multifamily development and compared how many parking spaces would be required by the Town code and many Planned Developments across the Town that have varying multifamily parking requirements specific to each development. The research was provided to help guide the Town Council in providing direction to Town staff to potentially bring back additional research or ordinance changes concerning multifamily parking requirements. The March 21, 2023 Council staff report containing this research is included as Attachment A.

Town Council, after reviewing the presented research, directed staff to reach out to the multifamily building community for feedback, research municipalities potentially similar to Castle Rock that do not provide public transit services, obtain a recommendation from the Planning Commission and bring back a recommendation and/or ordinance to modify Town code multifamily parking regulations based upon the previous research and new findings.

### **Discussion:**

Title 17 of the Castle Rock Municipal Code regulates on-site parking requirements within many areas of the Town of Castle Rock. The requirements are further broken down into three different types of developments with specific ratios: Regular Multifamily parking, Senior/Age-Restricted Multifamily parking, and Downtown Multifamily parking.

Additionally, where a Planned Development Plan regulates multifamily parking, those regulations supersede the Municipal Code regulations. The following research and information specific to each category forms the basis of the staff recommendation.

*Regular Multifamily Parking:*

Town staff reached out to multiple multifamily developers that have worked in Castle Rock or surrounding jurisdictions. Staff received responses from Shea Homes Multifamily and Forum Investments (Developing Alana Apartments). Town staff informed them that the Town was contemplating raising parking requirements per unit for regular multifamily projects not vested within an existing Planned Development. We asked them to provide their recommended parking requirements they try to achieve to ensure their projects are successful and not underbuilt/overbuilt with parking supply.

*Shea Homes* stated that they look to provide one space per unit for all multifamily projects located within a Transportation Oriented Development (TOD). If they are developing in a non-TOD area they believe 1.25 spaces per unit meets the needs of the development without being short or oversupplied with parking. Shea did not provide any feedback on downtown or senior housing parking requirements.

*Forum Investments* (currently developing Alana apartments in the Promenade) stated they typically develop apartments outside of TOD areas. Kevin Foltz, Chief Development Officer with Forum Investments, stated they typically look to provide between 1.3-1.5 spaces per unit/development that contains a mixture of 1-3 bedroom units. Forum uses a 5% stabilized vacancy rate for all their apartment projects. In a typical 200-unit development that would yield about 10 vacant units and 13-15 surplus spaces at any point in time assuming every rented unit had a vehicle associated with it.

In addition to staff reaching out to development partners about appropriate parking ratios for multi-family, staff requested their opinion on the lack of public transit for projects in Castle Rock and whether their projects required more parking to meet the needs due to this condition. The feedback received was that the lack of public transit in Castle Rock did not modify their standard development requirements to add or remove parking supply. Their belief is that Uber, Lyft and other rideshare companies are much more prevalent amongst their current tenants who occupy their developments and act as a main option for those with less cars per family or those making the choice to go car-less. Dependence upon public transit is a minor factor in their multifamily projects throughout the metro area, outside of the urban core of Denver.

*Downtown Multifamily Parking:*

Staff undertook exhaustive efforts to search and locate a similar municipality(s) to the Town of Castle Rock to understand how they are addressing multifamily development pressures with respect to parking ratios and supply within their traditional “main street” downtowns. Staff could not locate any similar towns that replicate the size, population, lack of public transit or suburban/urban make up to use as a guiding example to determine appropriate parking ratios for a downtown “main street” similar to Castle Rock.

Overwhelmingly staff found that most towns the size of Castle Rock, and smaller “main street” type downtowns, were moving toward reducing parking requirements to ensure

reinvestment and affordability were not inhibited by required parking ratios. Most even went as far to create maximum allowed parking supply within downtown areas in order to ensure affordability, as well as working to ensure the unique “main street” type areas are protected from the negative impacts of underutilized parking lots and large parking structures.

Additionally, staff made a presentation to the Downtown Development Association (DDA) at their monthly meeting. Members of the DDA had many opinions on the initial proposed parking ratios, and more specifically on the Downtown proposed ratio. They summarily were positive of the proposed ratio for downtown but recommended that staff research the existing Downtown Multifamily projects for comparison, as well as reach out to neighboring communities with “main street” downtowns to understand what type of publicly available off-street parking is available compared to the Town of Castle Rock.

Staff researched The View, Riverwalk, and Encore projects to assess their actual Downtown Multifamily parking ratios for help in assessing the proposed parking ratios contained in this report. The View Project was developed with an overall 1.35 parking spaces per unit for the multifamily portion of the development. The Riverwalk Project was developed with an overall parking ratio of 1.2 spaces per unit for the multifamily portion of the development. Encore was developed with an overall 2.04 spaces per unit for the multifamily portion of the development.

Staff also contacted the Town of Parker and City Littleton to understand their available off-street public parking supply. The City of Littleton did not have any public parking lots in their downtown main street area. RTD offers 361 spaces for public use but they are restricted to those using the light rail. The Town of Parker has a supply of 557 publicly accessible parking space for use by those visiting downtown Parker. The Town of Castle Rock currently has 535 publicly available off-street parking spaces available for public use.

#### Senior Multifamily Parking:

Staff reviewed the research information provided previously to Town Council and researched parking ratios for multifamily projects nationally. Although many varying ratios exist staff has determined that on average senior multifamily parking ratios fall within 1- 1.5 spaces per unit depending on a myriad of factors that include location, types of units, number of bedrooms...etc. Most of the research also found that senior multifamily housing tends to attract a demographic of tenant that has 1 to 0 cars to meet their transportation needs. Ride share apps like Uber and Lyft, similar to traditional mulita-family units, have also become a more common addition to meet the needs of the senior population inhabiting restricted senior multifamily housing.

#### Recommendation:

Taking in to consideration the neighboring jurisdiction research, discussions with the development community, and exhaustive online research to locate comparable municipalities staff is recommending the following parking ratio changes.

	Existing Parking Requirement	Proposed Change
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Multifamily	<ul style="list-style-type: none"> <li>• 1 space per studio</li> <li>• 1.5 space per 1-bedroom unit</li> <li>• 2 space per 2 and 3-bedroom unit</li> <li>• 1 space per 4 units guest parking</li> </ul>	<ul style="list-style-type: none"> <li>• <b>2 parking spaces per unit</b></li> </ul>
Multifamily Downtown	<ul style="list-style-type: none"> <li>• 1 space per unit</li> </ul>	<b>1.25 spaces per unit</b>
Multifamily Senior	<ul style="list-style-type: none"> <li>• 1 space per unit</li> </ul>	<b>1.10 spaces per unit</b>

The above chart represents what staff believes to be a justifiable incremental increase to all three researched parking ratios based upon developer outreach, findings from national/local municipalities and comparative research from successfully completed projects within the Town of Castle Rock.

#### Regular Multifamily Parking

Previously staff presented a hypothetical multifamily development that consisted of 200 units (total) and broken down into 114 1-bedroom, 74 2-bedroom and 12 3-bedroom units. The example chart shows a previous requirement, under existing Municipal Code, to require 393 parking spaces. Staff's recommended change to a flat 2 spaces per unit would result in a requirement of 400 spaces for the example development. That works out to a 2% increase. In addition, it applies regardless of bedroom count, therefore not discouraging 3 bedroom units. Staff believes this incremental increase is justifiable and also has the unintended consequence of simplifying the Town Code which is always a positive.

#### Downtown Multifamily Parking

As discussed above staff did an exhaustive search looking for a comparable municipality with a traditional "Main Street" similar to Downtown Castle Rock but also one that did not have public transit. We were unsuccessful in locating a municipality that we could use to direct our recommendation. We did find that Towns with Main Street downtowns were typically looking to reduce parking requirements in order to promote reinvestment. In looking at neighboring jurisdictions, that have traditional or newly designed Main Street style downtowns, staff believes that increasing the required parking ratio for multifamily in the downtown area from 1 spaces per unit to 1.25 spaces per unit would provide a 25% increase to current parking requirements while also ensuring reinvestment to construct housing in the downtown area is not deterred due to an extreme increase in parking requirements. The staff's recommended change in the downtown parking ratio falls closely in line, if not slightly less, than actual parking ratios constructed at The View, Riverwalk and Encore projects.

Using a hypothetical example of a 200-unit multifamily development, being proposed in the downtown area, would currently result in a requirement for 200 spaces (1 per unit). With the proposed increase of the multifamily ratio to 1.25 the project would be required to provide 250 spaces for a 200-unit project equaling a 25% increase.

### Senior Multifamily Parking

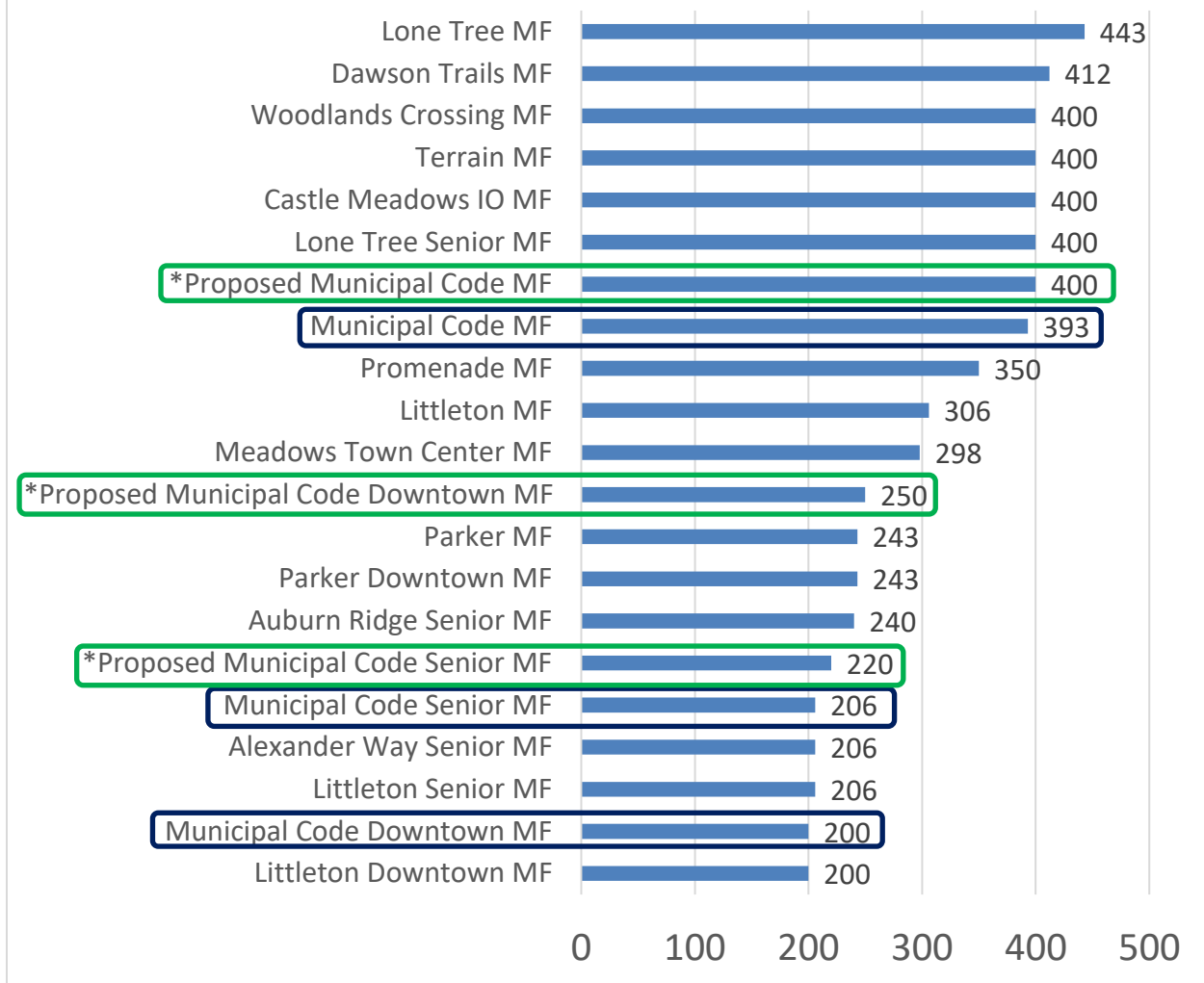
Staff's research with respect to Senior Multifamily housing found a variation in required ratios from 1 to 1.5 spaces depending on location and development constraints. Staff also found that many jurisdictions require guest parking in addition to their standard ratios per unit. Location near transit did not appear to be a determining factor due to the tendency of the senior market to have limited vehicles and having become more adept at using rideshare programs such as Lyft and Uber.

Staff is proposing raising the Senior Multifamily parking ratio from 1.0 spaces per unit to 1.10 spaces per unit, while eliminating the 1 space per maximum employee on a shift requirement. This requirement is difficult to ascertain initially and enforce throughout the development's lifespan. This recommended increase would result in an estimated 7-9% increase in required parking for Senior Multifamily parking. A hypothetical 200-unit senior multifamily project would currently require 204 parking spaces (1 per unit plus an estimated 4 spaces for 4 employees on a maximum shift). The proposed increase to 1.10 spaces per unit would derive a requirement of 220 spaces (8% increase)

### Summary of Recommendations:

Overall, with the proposed changes listed above to Regular, Downtown and Senior Multifamily, the hypothetical 200-unit example would result in the following parking requirements for areas that are not regulated by existing PD parking regulations. The current Municipal Code parking examples are shown in a blue outline, and the recommended changes are shown in a green outline on the chart below.

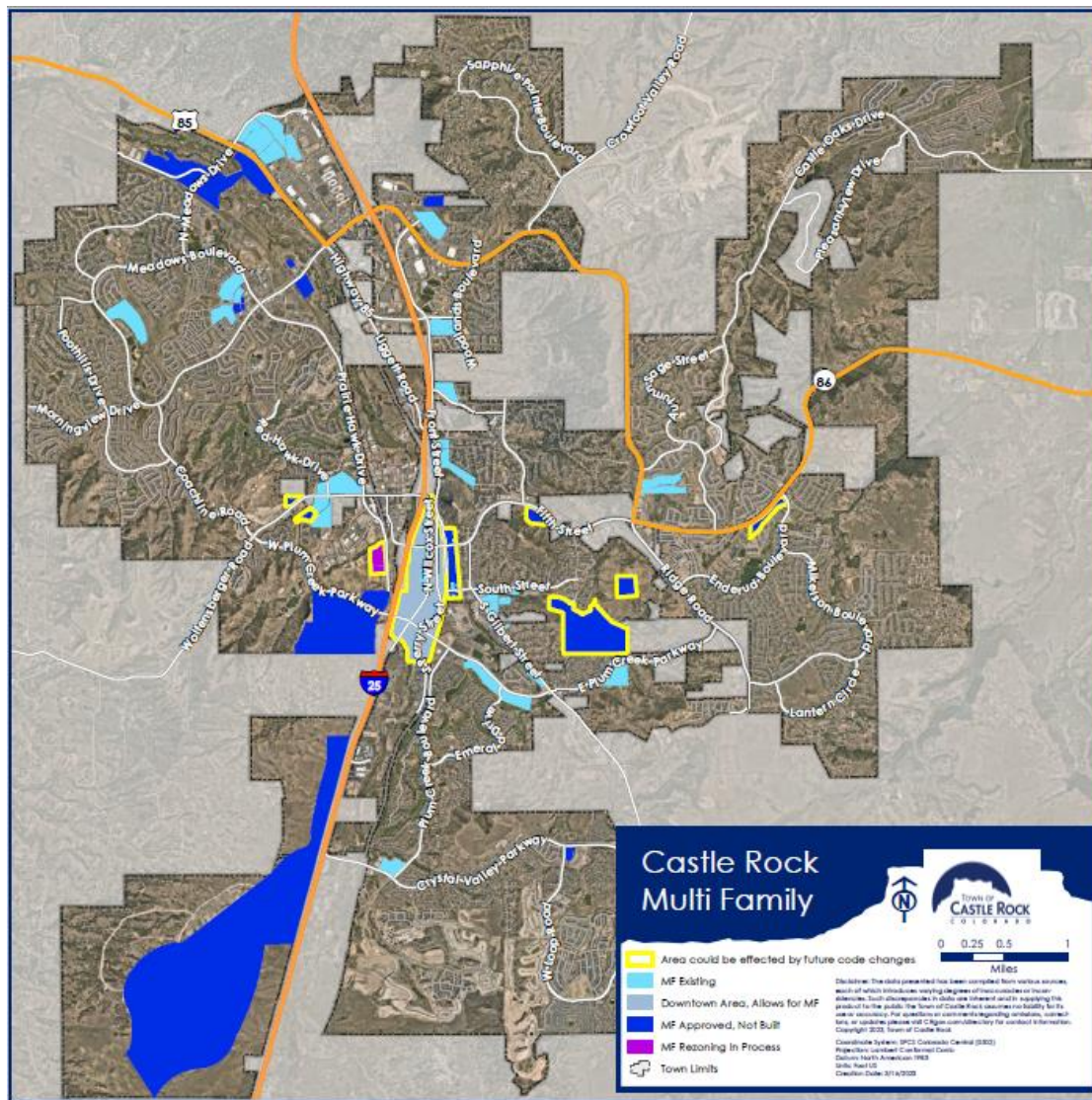
## Required Parking for 200-unit Example



Any code changes to the Town's parking requirements for multifamily parking would not affect the five vested Planned Developments areas listed in the example and as previously discussed with Council on March 21<sup>st</sup>, unless changes were made after their vesting periods expired. Dawson Trails is vested through 2052, Castle Meadows IO through 2035, and Terrain through 2028. All three of these PDs have higher parking requirements than the Municipal Code. Meadows is vested through 2028 and Promenade is vested through 2035. Code changes made after those dates would apply to those PD areas if there were any future multifamily developments in those areas.

The map below shows the areas highlighted in yellow that would most likely be affected by the recommended parking code changes for multi-family, as they are not in vested PD areas. Areas that are not highlighted in yellow would not be affected by a proposed change to multifamily parking regulations at this time.





### Outreach

Staff discussed these proposed parking changes on May 11<sup>th</sup> with the Downtown Alliance group, and several in that group were concerned that adding 0.5 spaces per unit to Downtown could prevent future development. Additionally, staff spoke with the EDC Developer Roundtable group and those members also voiced concern about increasing the parking ratios. For regular multifamily developments, they felt the current requirements based per bedroom was a more accurate approach versus changing it to a flat 2 spaces per unit. For Downtown development, parking is typically in a parking garage, so adding 50 spaces to the 200-unit example, would add approximately \$35,000 per parking space to the project costs, for a total of \$1.75 million in additional cost for the increase in 50 parking spaces.

Staff would like to engage the Planning Commission on this discussion and get feedback on the recommendations.

## Proposed Motions

If Planning Commission desires to make a recommendation for multifamily parking to Council, here are some proposed motions to consider:

*“I move to recommend to Town Council the multifamily parking ratios as presented by staff.”*

Alternatively, if Planning Commission desires to make changes to the ratios, this motion could be modified:

*“I move to recommend approval to Town Council of the following multifamily parking ratios in the Town Municipal Code to be (   XXX    spaces per unit for Regular multi-family,    YYY    spaces per unit for Downtown multi-family, and for    ZZZ    spaces per unit for Senior multi-family).”*

**Attachments:**

Attachment A: March 21, 2023 Town Council Staff Report Multi-Family Parking Discussion