



May 16, 2023

AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

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

Title: **Discussion/Direction, Multi-family Parking Requirements**

Executive Summary:

On March 21, 2023 Town staff presented multi-family parking requirement research to the Town Council. Staff compiled various code and planned development zoning sections that regulate multi-family parking requirements within the Town of Castle Rock, as well as reviewed multi-family parking requirements in neighboring jurisdictions. Staff provided a hypothetical development project that proposed a 200-unit multi-family development and compared how many parking spaces would be required by the Town code and many Planned Developments across the Town that have varying multi-family 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 multi-family parking requirements. This staff report containing the research is included as Attachment A.

Town Council, after reviewing the presented research, directed staff to reach out to the multi-family building community for feedback, research municipalities potentially similar to Castle Rock that do not provide public transit services, and bring back a recommendation and/or ordinance to modify Town code multi-family 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 the Town of Castle Rock. The requirements are further broken down into three different types of developments with specific ratios: Regular Multi-Family parking, Senior/Age-Restricted Multi-Family parking, and Downtown Multi-Family parking. The following research and information specific to each category form the basis of the staff recommendation.

Regular Multi-Family Parking:

Town staff reached out to multiple multi-family developers that have worked in Castle Rock or surrounding jurisdictions. Staff received responses from Shea Homes Multi-Family and Forum Investments (Developing Alana Apartments). Town staff informed them that the Town was contemplating raising parking requirements per unit for regular multi-family 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 multi-family 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 multi-family projects throughout the metro area, outside of the urban core of Denver.

Downtown Multi-Family 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 multi-family 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 as 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.

Senior Multi-Family Parking:

Staff reviewed the research information provided previously to Town Council and researched parking ratios for multi-family projects nationally. Although many varying ratios exist staff has determined that on average senior multi-family 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 multi-family housing tends to attract a demographic of tenants that have 1 to 0 cars to meet their transportation needs. Ride-share apps like Uber and Lyft, similar to traditional multi-family units, have also become a more common addition to meet the needs of the senior population inhabiting restricted senior multi-family housing.

Recommendation:

Taking into 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
Multi-Family	<ul style="list-style-type: none">• 1 space per studio• 1.5 space per 1-bedroom unit• 2 spaces per 2 and 3-bedroom unit• 1 space per 4 units of guest parking	<ul style="list-style-type: none">• 2 parking spaces per unit
Multi-Family Downtown	<ul style="list-style-type: none">• 1 space per unit	<ul style="list-style-type: none">• 1.25 spaces per unit
Multi-Family Senior	<ul style="list-style-type: none">• 1 space per unit	<ul style="list-style-type: none">• 1.10 spaces per unit

The above chart represents what staff believes to be a justifiable incremental increase to all three researched parking ratios based upon developer outreach and findings from national/local municipalities.

Regular Multi-Family Parking

Previously staff presented a hypothetical multi-family 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 Multi-Family 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 multi-family in the downtown area from 1 space 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 if parking requirements.

Using a hypothetical example of a 200-unit multi-family 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 multi-family ratio to 1.25 the project would be required to provide 250 spaces for a 200-unit project equaling a 25% increase.

Senior Multi-Family Parking:

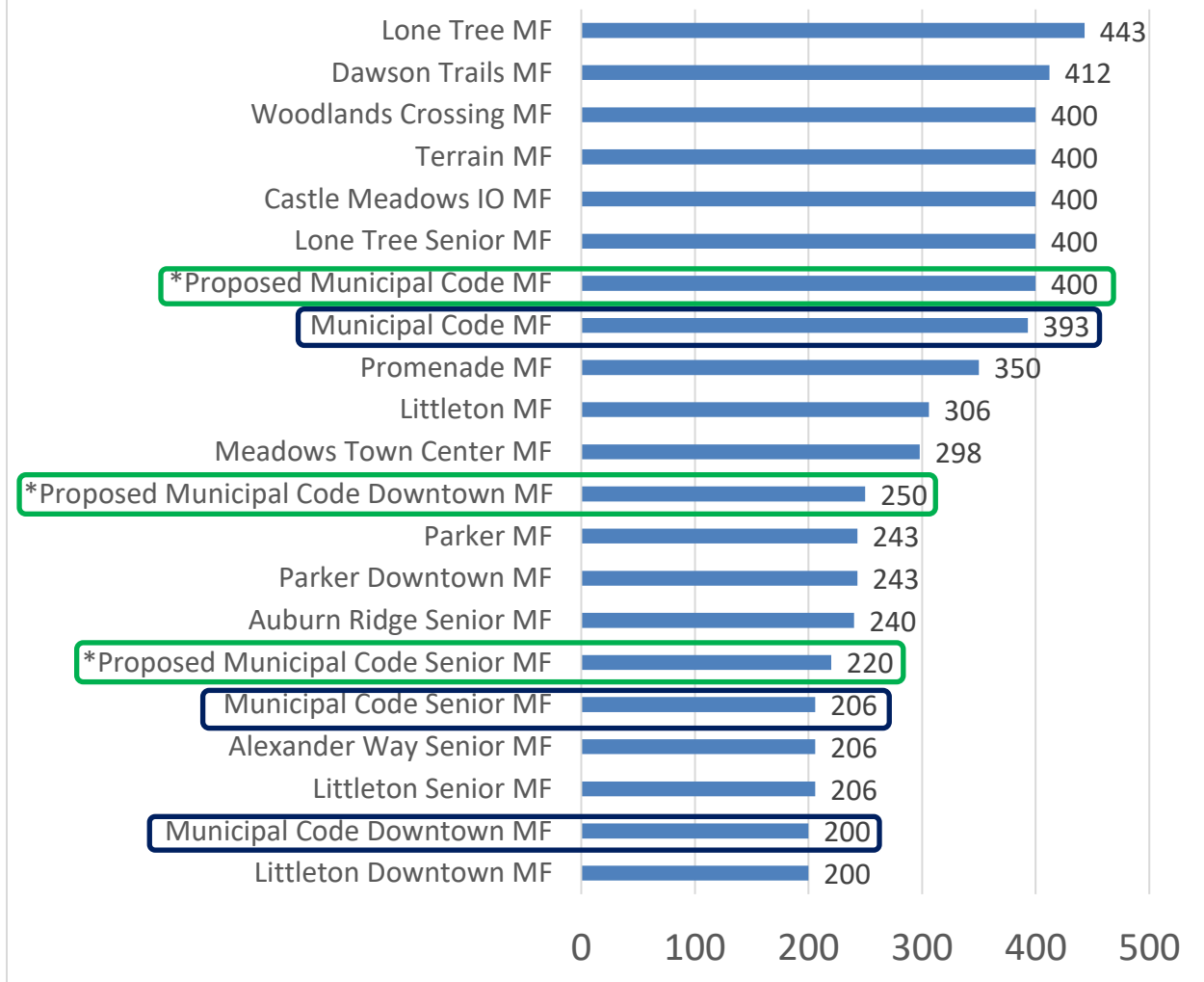
Staff’s research with respect to Senior Multi-Family housing found a variation in required ratios from 1 to 1.5 spaces depending on location and development constraints. Staff also found that many jurisdictions require guest parking in addition to their standard ratios per unit. Location near transit 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 Multi-Family 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 Multi-Family parking. A hypothetical 200-unit senior multi-family 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:

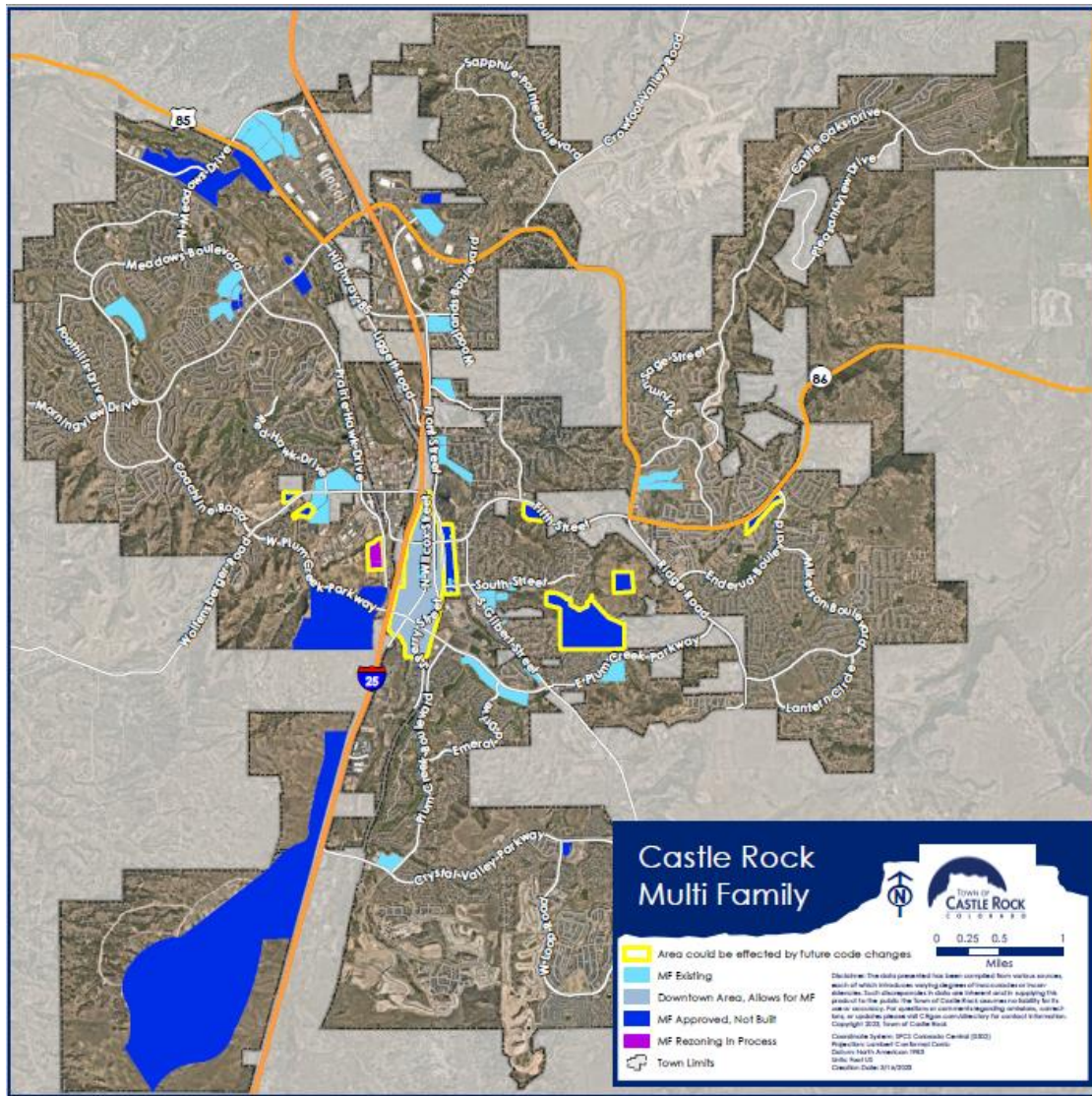
Overall, with the proposed changes listed above to Regular, Downtown and Senior Multifamily, the hypothetical 200-unit example would result in the following parking requirements for areas that are not regulated by existing PD parking regulations. The current Municipal Code parking examples are shown 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 multi-family parking would not affect the five vested Planned Developments areas previously discussed on March 21st 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 multi-family 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 multi-family parking regulations at this time.



Outreach

Staff is discussing these proposed parking changes on May 11th with the Downtown Alliance group, and will provide any feedback at the Council discussion. Additionally, staff recommends outreach regarding these proposed multifamily parking changes at the May 17th EDC Developer Roundtable meeting, and at the May 25th Planning Commission meeting.

Proposed Motion

If Council desires to change the municipal code for multi-family parking, here are some proposed motions to consider:

"I move to direct staff to finalize outreach as proposed and to prepare an ordinance amending the multi-family parking ratios in the Town Municipal Code as recommended, and bring back to Council for future consideration."

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

"I move to direct staff to finalize outreach as proposed and to prepare an ordinance amending the multi-family 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), and bring back to Council for future consideration."

Attachments:

Attachment A: March 21, 2023, Staff Report Multi-family Parking Discussion