STAFF REPORT
City of Lancaster

Date: October 25, 2016
To: Mayor Parris and City Council Members
From: Brian S. Ludicke, Planning Director
Subject: Amendment to Title 17 of the Lancaster Municipal Code to Delete Minimum Off-street Parking Requirements in the C (Commercial) and CPD (Commercial Planned Development) Zones

Recommendation:
Introduce Ordinance No. 1016, amending Title 17 of the Lancaster Municipal Code by deleting minimum off-street parking requirements in the C (Commercial) and CPD (Commercial Planned Development) zones.

Fiscal Impact:
None.

Background:
The City Council originally considered this matter on September 27, 2016. Following discussion, the Council continued the matter and directed staff to consider language that would provide the ability of the City to act to prevent potential abuse of this approach. Staff is, therefore, recommending to the Council a modification to the proposed ordinance that would require the developer, property owner, or authorized agent making the parking determination to provide, to the satisfaction of the Development Services Director or the Planning Commission (depending on the designated approval authority), justification to support the determination.

Staff feels that the proposed modification provides the necessary safeguards, while retaining the benefits associated with this overall approach, as outlined in the Council staff report of September 27, 2016, and recommends that the Council introduce the Ordinance as amended eliminating minimum parking requirements in the City’s C and CPD zones.

Attachments:
Ordinance No. 1016
City Council Staff Report dated September 27, 2016, and related attachments
ORDINANCE NO. 1016

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, AMENDING THE LANCASTER MUNICIPAL CODE, TITLE 17, FOR THE REMOVAL OF MINIMUM PARKING REQUIREMENTS IN THE C (COMMERCIAL) AND CPD (COMMERCIAL PLANNED DEVELOPMENT) ZONES

WHEREAS, the State of California Government Code requires zoning to be consistent with the City’s General Plan; and

WHEREAS, the City’s General Plan states that the City will continue to examine new innovative approaches to address the issues of parking demand; and

WHEREAS, in consideration of the overabundance of existing parking in the City’s commercial shopping centers, the City is taking appropriate actions to address the visual and economic impacts of large, open parking facilities; and

WHEREAS, the removal of minimum parking requirements in the City’s C (Commercial) and CPD (Commercial Planned Development) zones, is an approach to yielding or maximizing value generation, as property owners would have the ability to balance the cost of supplying parking with the potential to add productive uses to areas that would have otherwise been required for parking; and

WHEREAS, notice of intention to consider the amendments to the Lancaster Municipal Code (“LMC”) for the removal of minimum parking requirements in the City’s C and CPD zones has been given in accordance with Section 65090 of the Government Code of the State of California; and

WHEREAS, the City Council finds that the City has made a diligent effort to achieve public participation, and has held an informational meeting on June 20, 2016, and a public hearing on August 15, 2016, for the amendments to the LMC, and has received and commented on all public testimony both oral and written; and

WHEREAS, staff has prepared a written report recommending approval of the amendments to the LMC for the removal of minimum parking requirements in the City’s C and CPD zones; and

WHEREAS, on August 15, 2016, the Planning Commission recommended for adoption, an amendment to the Zoning Code (Title 17) for the removal of minimum parking requirements in the C and CPD zones; and
WHEREAS, the City Council finds that the amendment to the LMC for the removal of minimum parking requirements will not have a significant effect on the environment since these proposed actions are within the scope of the Program Environment Impact Report (SCH #2007111003) prepared for the Lancaster General Plan, and no further environmental review is required; and

WHEREAS, the City Council, based upon evidence in the record hereby makes the following findings in support of amending Title 17 of the Lancaster Municipal Code, including Section 17.12.220:

1. The removal of minimum parking requirements and related zoning amendments in the City’s C and CPD zones is consistent with the City’s General Plan, including:

   a. Objective 14.3, which states, “Achieve a balance between the supply of parking and demand for parking, recognizing the desirability and availability of alternatives to the use of the private automobile.”

   b. Policy 14.3.1, which states, “Maintain an adequate supply of parking that will support the present level of automobiles and allow for the expected increase in alternative modes of transportation.”

   c. Objective 16.3, which states, “Foster development patterns and growth which contributes to, rather than detracts from net fiscal gains to the City.”

   d. Policy 16.3.1, which states, “Promote development patterns which will minimize the costs of infrastructure development, public facilities development and municipal service cost delivery.”

   e. Policy 17.1.6, which states, “Revise the zoning ordinance to conform with the General Plan text and map to address changing conditions with new concepts that will allow both flexibility in application as well as a pleasing and attractive built environment.”

   f. Policy 18.2.1, which states, “Encourage appropriate infill development.”

   g. Policy 19.2.3, which states, “Encourage the rehabilitation and revitalization of declining development, in a manner consistent with community design and development objectives.”

THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DOES HEREBY ORDAIN, AS FOLLOWS:

Section 1. Delete Section 17.12.070.J, eliminating lease or joint usage of parking subject to a director’s review.
Section 2. Amend Section 17.12.100, "Adjustments," to read as follows:

"Adjustments.

The director may reduce the required minimum lot width, minimum lot depth and yard requirements by an amount not to exceed 10%; may increase the maximum height regulations and maximum sign area by an amount not to exceed 10% of the amount specified by the C zone; where the director makes a finding in writing that the applicant has demonstrated:

A. That there are special circumstances or exceptional physical characteristics applicable to the property including size, shape, topography, location or surroundings involved which are not generally applicable to other properties in the same vicinity with the same zoning; and

B. That an adjustment (if authorized) will not constitute a grant of special privilege inconsistent with the limitations on other properties in the same vicinity with the same zoning; and

C. The strict application of the requirements that are sought to be reduced or increased would result in practical difficulties and unnecessary hardship which is inconsistent with the purpose of the requirements; and

D. That approval of the application will not diminish the visual appearance of the property or neighborhood; and

E. Where applicable, that approval of the application will result in the need for less grading and disturbance of soils and natural vegetation. Where applicable, that approval of the application will result in the retention or preservation of native vegetation; particularly Joshua trees, California Juniper, or Creosote shrubs.

Any reduction or increase greater than those specified in this section shall be subject to the granting of a variance."

Section 3. Delete Section 17.12.130.B.4, eliminating the maximum floor area ratio.

Section 4. Amend Section 17.12.220, "Off-street parking," to read as follows:

"Off-street parking.

The automobile parking facilities required by this section shall be provided and permanently maintained as such unless and until a substitute has been provided which is in full compliance with the provisions of this title. The following parking requirements shall be complied with in the C zone:

A. General Conditions. The provisions of this section shall apply at the time that:

1. A building or structure is erected; or

2. An existing building or structure is altered or enlarged to increase the occupancy capacity.

B. Parking Requirements by Use.

1. For all uses, the developer, property owner, or authorized agent shall determine the number of parking spaces sufficient for the proposed use, and shall provide justification acceptable to the Director of Development Services and/or the Planning Commission to support the determination.

2. Mixed-use, in conjunction with multi-family residential use. The developer, property owner, or authorized agent shall determine the number of parking spaces sufficient for the non-residential portion of the mixed-use development, and shall provide justification acceptable to the Director of Development Services and/or
the Planning Commission to support the determination. The parking requirement for the multi-family portion shall be consistent with Section 17.08.100 of the Residential Zones.

3. Multi-family uses. The parking requirement for multi-family uses shall be consistent with Section 17.08.100 of the Residential Zones.

4. All uses shall provide parking for disabled persons in accordance with federal and state requirements.”

Section 4. Amend Section 17.12.230, “Design requirements,” including 17.12.230.A.2, “Paving,” to read as follows:

“Paving. Parking areas, as well as the maneuvering areas and driveways used for access thereto shall be paved with:

a. Concrete surfacing to a minimum thickness of $3\frac{1}{2}$ inches with expansion joints as necessary; or

b. Asphalt surfacing, rolled to a smooth, hard surface having a minimum thickness of 2 inches after compaction, and laid over a base of crushed rock, gravel or other similar material compacted to a minimum thickness of 4 inches.

c. For commercial truck parking and drive aisles, asphalt surfacing rolled to a smooth hard surface having a minimum thickness of 3 inches after compaction and, at a minimum, designed to accommodate a traffic index (TI) of 6.5 as calculated in accordance with the latest edition of the CalTrans Highway Design Manual. Large commercial projects may need a greater TI based upon their use.

d. Other alternative material that will provide at least the equivalent in service, life and appearance of the materials and standards which would be employed for development pursuant to subsection A.2.a. or b. of this section.

e. The director of public works, at the request of the director, shall review and report on the adequacy of paving where alternative materials are proposed under subsection A.2.d. of this section. The director of public works may approve such alternative materials if, in his opinion, the evidence indicates compliance with subsection A.2.d. of this section.”

Section 5. Amend Section 17.12.230, “Design requirements,” including 17.12.230.A.3, “Size and Marking of Spaces,” to read as follows:

“Size and Marking of Spaces.

a. Standard parking spaces shall exhibit dimensions of 9 feet wide by 20 feet long or 10 feet wide and 18 feet long in 90 degree parking, or 9 feet wide by 18 feet long in 45- or 60-degree parking, with required disabled person parking spaces as provided by federal and state law.

b. Compact parking spaces may exhibit dimensions between 9 feet wide by 18 feet long to 8 feet wide by 16 feet long. Such spaces shall be labeled “compact” in a manner acceptable to the director.

c. No parking shall occur in the first 10 feet of a required front or street side yard.

d. Where parking abuts an alley, the improved alley may be used as an aisle subject to approval of the parking lot design. (See the following diagrams for parking design options.)”
Section 6. Delete Section 17.12.230.A.5, eliminating guidelines for the location of required parking spaces in the C zone.

Section 7. Amend Section 17.12.230, “Design requirements,” including 17.12.230.A.10.h, regarding parking lot landscaping, to read as follows: “All parking lots shall be landscaped with shade trees to achieve 50 percent coverage at maturity.”

Section 8. Delete Section 17.12.530.B, eliminating maximum building coverage requirements.

Section 9. That the City Clerk shall certify to the passage of this Ordinance, and will see that it is published and posted in the manner required by law.

I, Britt Avrit, CMC, City Clerk of the City of Lancaster, do hereby certify that the foregoing ordinance was regularly introduced and placed upon its first reading on the 25th day of October, 2016, and placed upon its second reading and adoption at a regular meeting of the City Council on the ___ day of ______________, 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:  APPROVED:

__________________________  _________________________
BRITT AVRIT, CMC  R. REX PARRIS
City Clerk  Mayor
City of Lancaster  City of Lancaster
CERTIFICATION OF ORDINANCE
CITY COUNCIL

I, __________________________, __________________________, City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Ordinance No. 1016, for which the original is on file in my office.

WITNESS MY HAND AND SEAL OF THE CITY OF LANCASTER, on this ______ day of ______________________, ________

(seal)
STAFF REPORT
City of Lancaster

Date: September 27, 2016
To: Mayor Parris and City Council Members
From: Brian S. Ludicke, Planning Director
Subject: Amendment to Title 17 of the Lancaster Municipal Code to Delete Minimum Off-street Parking Requirements in the C (Commercial) and CPD (Commercial Planned Development) Zones

Recommendation:
Introduce Ordinance No. 1016, amending Title 17 of the Lancaster Municipal Code by deleting minimum off-street parking requirements in the C (Commercial) and CPD (Commercial Planned Development) zones.

Fiscal Impact:
None.

Background:
The City of Lancaster, like most municipalities, has established minimum requirements for off-street parking. Generally, new developments, and new uses at existing locations, are required to provide off-street parking in accordance with these requirements. Provisions also exist for the City to provide adjustments to the amount of required parking to accommodate issues such as daytime vs. evening/nighttime use. Exceptions exist for specific circumstances, such as development or establishment of new uses in the City's downtown area, where the existence of public parking (both on-street and in off-street parking lots) is considered to meet the parking requirements.

City staff has been in discussion with Planning Commission for a number of months regarding the current approach to parking requirements in the City's commercial zones, with an emphasis on the effects that such requirements have on the City's economic situation and development pattern. These issues were evaluated at some length at the Commission's meeting of March 21, 2016, with a staff memorandum (see attached) providing the basis for this evaluation. On May 16, 2016, the Commission voted to direct staff to prepare an ordinance to remove the minimum parking requirement. On August 15, 2016, the Commission voted to recommend to the City Council elimination of minimum parking requirements in the City's C and CPD zones.
The proposed amendment to Title 17 would eliminate the current off-street parking ratio requirements in the C and CPD zones. In place of these, the ordinance would establish that responsibility for determination of the number of off-street parking spaces rests with the developer, property owner, or authorized agent. The one exception to this is for assembly uses, such as churches, which at this point would remain subject to Director’s Review, primarily because these uses have the potential to create high demand within relatively short periods of time. To the extent that on-site parking is provided, it would still need to meet City requirements for surfacing and marking of spaces.

The primary reason for proposing this change is to shift the determination of off-street parking need from a calculation based on an arbitrary concept of “convenience” to one more grounded in the realities of market demand. In recommending this approach, staff has concluded that, despite good intentions, the City’s regulatory approach has far more potential for negative outcomes than placing this responsibility in the hands of the private market. In summary, the key factors supporting this change are as follows:

- **Parking Should be Viewed in Economic Terms:** Providing sufficient, but not excessive, off-street parking is vital to the economic success of private commercial enterprises. Parking must meet expected customer demand for availability and convenience, but excessive, little-used parking spaces carry a definite cost, both in terms of the land needed to build them and the costs to maintain them. Ultimately, of course, parking is not “free” in any sense – its costs are simply bundled into the overall costs of goods or services provided by a commercial business. The private sector is in far better position to make these determinations than is the City.

- **Parking Requirements of Tenants take Precedence:** In researching this issue, staff found great significance in the fact that most private business enterprises understand very well how much parking they need, as a cursory look at site requirements for various chain establishments will verify. Further, in speaking with several developers/managers of commercial centers, they noted to staff that the tenants’ requirements outweigh the City’s. As one center developer put it succinctly: “The City’s parking requirements can’t help us, but they could hurt us if they exceed what the tenant actually needs”.

- **Minimum Parking Requirements Limit Flexibility and Options:** This is a significant consideration as the City seeks to maximize economic return. Commercial tenants, of course, place great value on being in the “right” location, and have shown that they are willing to be flexible in their own off-street parking demands in order to secure a valuable location. From staff’s perspective, there is no long-term value to keeping such sites vacant or unoccupied if a tenant is willing to accept the physical constraints, since they must consider the issues of customer convenience vs. value of location in their economic evaluation. Providing flexibility on off-street parking opens more options for development and utilization of under-used parking, particularly along the street frontages of commercial centers. In the long-term, more efficient utilization of land is also good for the City, providing a greater amount of tax base and employment opportunities.
• **Minimum Parking Requirements Limit Use of Older Buildings:** As noted previously, buildings and commercial centers in the City have been constructed under numerous and varying parking requirements. While the City’s development codes attempt to provide administrative relief for occupancy of older buildings, such processes still require staff or, in some cases, the Planning Commission to make a determination on approval. The result of this approach is that older buildings or centers, which often face a variety of challenges, operate under a lack of certainty for tenants, further limiting investment and potential economic return. While staff and the Commission are generally open to modification of parking requirements, removal of the minimum parking requirements would send a clear message regarding City policy for these areas. Again, staff believes if the private sector is willing to risk investment in such locations, the City should allow such risks to be taken, since the potential upside would seem to outweigh maintaining the status quo.

Staff recommends that the Council introduce the Ordinance eliminating minimum parking requirements in the City’s C and CPD zones.

**Attachments:**

Ordinance No. 1016
Planning Commission Staff Report dated August 15, 2016
Planning Commission Memorandum dated May 16, 2016
Planning Commission Memorandum dated March 21, 2016
ORDINANCE NO. 1016

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, AMENDING THE LANCASTER MUNICIPAL CODE, TITLE 17, FOR THE REMOVAL OF MINIMUM PARKING REQUIREMENTS IN THE C (COMMERCIAL) AND CPD (COMMERCIAL PLANNED DEVELOPMENT) ZONES

WHEREAS, the State of California Government Code requires zoning to be consistent with the City’s General Plan; and

WHEREAS, the City’s General Plan states that the City will continue to examine new innovative approaches to address the issues of parking demand; and

WHEREAS, in consideration of the overabundance of existing parking in the City’s commercial shopping centers, the City is taking appropriate actions to address the visual and economic impacts of large, open parking facilities; and

WHEREAS, the removal of minimum parking requirements in the City’s C (Commercial) and CPD (Commercial Planned Development) zones, is an approach to yielding or maximizing value generation, as property owners would have the ability to balance the cost of supplying parking with the potential to add productive uses to areas that would have otherwise been required for parking; and

WHEREAS, notice of intention to consider the amendments to the Lancaster Municipal Code (“LMC”) for the removal of minimum parking requirements in the City’s C and CPD zones has been given in accordance with Section 65090 of the Government Code of the State of California; and

WHEREAS, the City Council finds that the City has made a diligent effort to achieve public participation, and has held an informational meeting on June 20, 2016, and a public hearing on August 15, 2016, for the amendments to the LMC, and has received and commented on all public testimony both oral and written; and

WHEREAS, staff has prepared a written report recommending approval of the amendments to the LMC for the removal of minimum parking requirements in the City’s C and CPD zones; and

WHEREAS, on August 15, 2016, the Planning Commission recommended for adoption, an amendment to the Zoning Code (Title 17) for the removal of minimum parking requirements in the C and CPD zones; and
WHEREAS, the City Council finds that the amendment to the LMC for the removal of minimum parking requirements will not have a significant effect on the environment since these proposed actions are within the scope of the Program Environment Impact Report (SCH #2007111003) prepared for the Lancaster General Plan, and no further environmental review is required; and

WHEREAS, the City Council, based upon evidence in the record hereby makes the following findings in support of amending Title 17 of the Lancaster Municipal Code, including Section 17.12.220:

1. The removal of minimum parking requirements and related zoning amendments in the City's C and CPD zones is consistent with the City's General Plan, including:
   a. Objective 14.3, which states, "Achieve a balance between the supply of parking and demand for parking, recognizing the desirability and availability of alternatives to the use of the private automobile."
   b. Policy 14.3.1, which states, "Maintain an adequate supply of parking that will support the present level of automobiles and allow for the expected increase in alternative modes of transportation."
   c. Objective 16.3, which states, "Foster development patterns and growth which contributes to, rather than detracts from net fiscal gains to the City."
   d. Policy 16.3.1, which states, "Promote development patterns which will minimize the costs of infrastructure development, public facilities development and municipal service cost delivery."
   e. Policy 17.1.6, which states, "Revise the zoning ordinance to conform with the General Plan text and map to address changing conditions with new concepts that will allow both flexibility in application as well as a pleasing and attractive built environment."
   f. Policy 18.2.1, which states, "Encourage appropriate infill development."
   g. Policy 19.2.3, which states, "Encourage the rehabilitation and revitalization of declining development, in a manner consistent with community design and development objectives."

THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DOES HEREBY ORDAIN, AS FOLLOWS:

Section 1. **Delete** Section 17.12.070.J, eliminating lease or joint usage of parking subject to a director's review.
Section 2. Amend Section 17.12.100, "Adjustments," to read as follows:

"Adjustments.

The director may reduce the required minimum lot width, minimum lot depth and yard requirements by an amount not to exceed 10%; may increase the maximum height regulations and maximum sign area by an amount not to exceed 10% of the amount specified by the C zone; where the director makes a finding in writing that the applicant has demonstrated:

A. That there are special circumstances or exceptional physical characteristics applicable to the property including size, shape, topography, location or surroundings involved which are not generally applicable to other properties in the same vicinity with the same zoning; and

B. That an adjustment (if authorized) will not constitute a grant of special privilege inconsistent with the limitations on other properties in the same vicinity with the same zoning; and

C. The strict application of the requirements that are sought to be reduced or increased would result in practical difficulties and unnecessary hardship which is inconsistent with the purpose of the requirements; and

D. That approval of the application will not diminish the visual appearance of the property or neighborhood; and

E. Where applicable, that approval of the application will result in the need for less grading and disturbance of soils and natural vegetation. Where applicable, that approval of the application will result in the retention or preservation of native vegetation; particularly Joshua trees, California Juniper, or Creosote shrubs.

Any reduction or increase greater than those specified in this section shall be subject to the granting of a variance."

Section 3. Delete Section 17.12.130.B.4, eliminating the maximum floor area ratio.

Section 4. Amend Section 17.12.220, "Off-street parking," to read as follows:

"Off-street parking.

The automobile parking facilities required by this section shall be provided and permanently maintained as such unless and until a substitute has been provided which is in full compliance with the provisions of this title. The following parking requirements shall be complied with in the C zone:

A. General Conditions. The provisions of this section shall apply at the time that:

1. A building or structure is erected; or

2. An existing building or structure is altered or enlarged to increase the occupancy capacity.

B. Parking Requirements by Use.

1. All commercial, service, and office uses, except as otherwise listed in this section. The developer, property owner, or authorized agent shall determine the number of parking spaces sufficient for the proposed use.

2. Churches and other assembly uses. The developer, property owner, or authorized agent shall determine the number of parking spaces sufficient for the proposed use, subject to a Director's Review.
3. Mixed-use, in conjunction with multi-family residential use. The developer, property owner, or authorized agent shall determine the number of parking spaces sufficient for the non-residential portion of the mixed-use development. The parking requirement for the multi-family portion shall be consistent with Section 17.08.100 of the Residential Zones.

4. Multi-family uses. The parking requirement for multi-family uses shall be consistent with Section 17.08.100 of the Residential Zones.

5. All uses shall provide parking for disabled persons in accordance with federal and state requirements.

Section 4. Amend Section 17.12.230, “Design requirements,” including 17.12.230.A.2, “Paving,” to read as follows:

“Paving. Parking areas, as well as the maneuvering areas and driveways used for access thereto shall be paved with:

a. Concrete surfacing to a minimum thickness of 3 1/2 inches with expansion joints as necessary; or
b. Asphalt surfacing, rolled to a smooth, hard surface having a minimum thickness of 2 inches after compaction, and laid over a base of crushed rock, gravel or other similar material compacted to a minimum thickness of 4 inches.

c. For commercial truck parking and drive aisles, asphalt surfacing rolled to a smooth hard surface having a minimum thickness of 3 inches after compaction and, at a minimum, designed to accommodate a traffic index (TI) of 6.5 as calculated in accordance with the latest edition of the CalTrans Highway Design Manual. Large commercial projects may need a greater TI based upon their use.

d. Other alternative material that will provide at least the equivalent in service, life and appearance of the materials and standards which would be employed for development pursuant to subsection A.2.a. or b. of this section.

e. The director of public works, at the request of the director, shall review and report on the adequacy of paving where alternative materials are proposed under subsection A.2.d. of this section. The director of public works may approve such alternative materials if, in his opinion, the evidence indicates compliance with subsection A.2.d. of this section.”

Section 5. Amend Section 17.12.230, “Design requirements,” including 17.12.230.A.3, “Size and Marking of Spaces,” to read as follows:

“Size and Marking of Spaces.

a. Standard parking spaces shall exhibit dimensions of 9 feet wide by 20 feet long or 10 feet wide and 18 feet long in 90 degree parking, or 9 feet wide by 18 feet long in 45- or 60-degree parking, with required disabled person parking spaces as provided by federal and state law.

b. Compact parking spaces may exhibit dimensions between 9 feet wide by 18 feet long to 8 feet wide by 16 feet long. Such spaces shall be labeled “compact” in a manner acceptable to the director.

c. No parking shall occur in the first 10 feet of a required front or street side yard.
Ordinance No. 1016

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d. Where parking abuts an alley, the improved alley may be used as an aisle subject to approval of the parking lot design. (See the following diagrams for parking design options.)”

Section 6. **Delete** Section 17.12.230.A.5, eliminating guidelines for the location of required parking spaces in the C zone.

Section 7. **Amend** Section 17.12.230, “Design requirements,” including 17.12.230.A.10.h, regarding parking lot landscaping, to read as follows: “All parking lots shall be landscaped with shade trees to achieve 50 percent coverage at maturity.”

Section 8. **Delete** Section 17.12.530.B, eliminating maximum building coverage requirements.

Section 9. That the City Clerk shall certify to the passage of this Ordinance, and will see that it is published and posted in the manner required by law.

I, Britt Avrit, CMC, City Clerk of the City of Lancaster, do hereby certify that the foregoing ordinance was regularly introduced and placed upon its first reading on the 27th day of September, 2016, and placed upon its second reading and adoption at a regular meeting of the City Council on the ____ day of _______________, 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: 

APPROVED:

BRITT AVRIT, CMC  
City Clerk  
City of Lancaster

R. REX PARRIS  
Mayor  
City of Lancaster
STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES )ss
CITY OF LANCASTER )

CERTIFICATION OF ORDINANCE
CITY COUNCIL

I, _______________________________, ________________________________, City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Ordinance No. 1016, for which the original is on file in my office.

WITNESS MY HAND AND SEAL OF THE CITY OF LANCASTER, on this _______ day of _____________________.

(seal)
STAFF REPORT

AMENDMENT TO LANCASTER MUNICIPAL CODE (TITLE 17) FOR THE REMOVAL OF MINIMUM PARKING REQUIREMENTS IN THE C (COMMERCIAL) AND CPD (COMMERCIAL PLANNED DEVELOPMENT) ZONES

DATE: August 15, 2016

TO: Lancaster Planning Commission

FROM: Planning Section, Community Development Division

APPLICANT: City of Lancaster

LOCATION: City-wide

REQUEST: Amendment to the Lancaster Municipal Code (Title 17) to remove minimum parking requirements in the C (Commercial) and CPD (Commercial Planned Development) zones

RECOMMENDATION: Receive public testimony and adopt Resolution No. 16-06, recommending to the City Council approval and amendment to Title 17 of the Lancaster Municipal Code (Exhibit “A”), removing minimum parking requirements in the C (Commercial) and CPD (Commercial Planned Development) zones.

BACKGROUND: On March 21, 2016, staff provided a presentation to the Planning Commission evaluating the elimination of minimum parking requirements in the City’s commercial zones. The presentation included the following (see March 21, 2016, Memorandum):

- Why and how minimum parking requirements have been established
- How the establishment of minimum parking requirements has worked in practice
- The “unintended consequences” of establishing and regulating minimum parking requirements
- How removal of minimum parking requirements support various City goals
- Possible outcomes of removing minimum parking requirements
- Limitations for the proposal of removing minimum parking requirements

On May 16, 2016, City staff provided a follow-up memo with additional information in response to some questions that the Planning Commission raised during the March meeting (see May 16, 2016, Memorandum). The Planning Commission then provided direction to staff to prepare an ordinance to eliminate the minimum parking requirements in the City’s commercial zones.
ENVIRONMENTAL REVIEW: Pursuant to Sections 15162 and 15168(c)(2) of the State CEQA Guidelines, the proposed update is within the scope of the Program Environmental Impact Report (SCH #2007111003) for the existing Lancaster General Plan, and no further environmental review is required.

LEGAL NOTICE: Notice of Public Hearing was noticed in a newspaper of general circulation per prescribed procedure.

DISCUSSION: Upon direction by the Planning Commission, staff prepared an ordinance removing minimum parking requirements in the C and CPD zones. Staff proposes amending Section 17.12.220, which governs off-street parking in the commercial zones, to eliminate the list of parking ratios by proposed use. In lieu of assigning ratios to specific uses, the code would instead state that “the developer, property owner, or authorized agent shall determine the number of parking spaces sufficient for the proposed use.” This places the responsibility of determining the number of parking spaces for a proposed use on the developer or property owner. Staff believes that the majority of businesses, in particular corporate tenants, have minimum requirements based on market studies specific to their line of business that they require as part of their site selection process. The removal of City-imposed minimum parking requirements would give developers and applicants the flexibility to locate at a site that they otherwise would not have been able to.

As discussed in the previous memorandums to the Planning Commission, staff believes that the City’s minimum parking requirements were rooted primarily in a perception of convenience, and not in economic return. Staff believes that removing the regulatory barrier of City-mandated minimum parking requirements would give developers the ability to maximize land use potential and value generation, with resulting long-term benefits to the City, based on actual market demand for parking. For example, it would result in the ability for existing shopping centers to add building square footage to accommodate new businesses if the center owner and tenants believe adequate parking would be available. Similarly, it would also result in the ability for an existing building or site to accommodate a wider range of uses, creating additional economic opportunities and options in the community. The removal of minimum parking requirements is a small step that the City must take to reverse low-density, sprawling development patterns, and the resulting fiscal liabilities that follow.

Due to these reasons, and the findings listed in the resolution, staff recommends that the Planning Commission recommend to the City Council an amendment to Title 17 of the Lancaster Municipal Code to remove minimum parking requirements in the C (Commercial) and CPD (Commercial Planned Development) zones.

Respectfully submitted,

Chuen Ng, Principal Planner

Attachments: Exhibit “A” - Draft Ordinance Removing Minimum Parking Requirements
May 16, 2016, Memorandum to the Planning Commission
March 21, 2016, Memorandum to the Planning Commission
RESOLUTION NO. 16-06

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LANCASTER, CALIFORNIA, RECOMMENDING TO THE CITY COUNCIL APPROVAL AND AMENDMENT TO THE LANCASTER MUNICIPAL CODE, TITLE 17, FOR THE REMOVAL OF MINIMUM PARKING REQUIREMENTS IN THE C (COMMERCIAL) AND CPD (COMMERCIAL PLANNED DEVELOPMENT) ZONES

WHEREAS, the State of California Government Code requires zoning to be consistent with the City’s General Plan; and

WHEREAS, the City’s General Plan states that the City will continue to examine new innovative approaches to address the issues of parking demand; and

WHEREAS, in consideration of the overabundance of existing parking in the City’s commercial shopping centers, the City is taking appropriate actions to address the visual and economic impacts of large, open parking facilities; and

WHEREAS, the removal of minimum parking requirements in the City’s C (Commercial) and CPD (Commercial Planned Development) zones, is an approach to yielding or maximizing value generation, as property owners would have the ability to balance the cost of supplying parking with the potential to add productive uses to areas that would have otherwise been required for parking; and

WHEREAS, notice of intention to consider the amendments to the Lancaster Municipal Code (“LMC”) for the removal of minimum parking requirements in the City’s Commercial zones has been given in accordance with Section 65090 of the Government Code of the State of California; and

WHEREAS, the Planning Commission finds that the City has made a diligent effort to achieve public participation, and has held an informational meeting on June 20, 2016, and a public hearing on August 15, 2016, for the amendments to the LMC, and has received and commented on all public testimony both oral and written; and

WHEREAS, staff has prepared a written report recommending approval of the amendments to the LMC for the removal of minimum parking requirements in the City’s C and CPD zones; and

WHEREAS, on August 15, 2016, City of Lancaster staff recommended for adoption, an amendment to the Zoning Code (Title 17) for the removal of minimum parking requirements in the C and CPD zones; and
WHEREAS, the Planning Commission finds that the amendment to the LMC for the removal of minimum parking requirements will not have a significant effect on the environment since these proposed actions are within the scope of the Program Environment Impact Report (SCH #2007111003) prepared for the Lancaster General Plan, and no further environmental review is required; and

WHEREAS, the Planning Commission, based upon evidence in the record hereby makes the following findings in support of amending Title 17 of the Lancaster Municipal Code, including Section 17.12.220:

1. The removal of minimum parking requirements and related zoning amendments in the City’s commercial zones is consistent with the City’s General Plan, including:
   a. Objective 14.3, which states, “Achieve a balance between the supply of parking and demand for parking, recognizing the desirability and availability of alternatives to the use of the private automobile.”
   b. Policy 14.3.1, which states, “Maintain an adequate supply of parking that will support the present level of automobiles and allow for the expected increase in alternative modes of transportation.”
   c. Objective 16.3, which states, “Foster development patterns and growth which contributes to, rather than detracts from net fiscal gains to the City.”
   d. Policy 16.3.1, which states, “Promote development patterns which will minimize the costs of infrastructure development, public facilities development and municipal service cost delivery.”
   e. Policy 17.1.6, which states, “Revise the zoning ordinance to conform with the General Plan text and map to address changing conditions with new concepts that will allow both flexibility in application as well as a pleasing and attractive built environment.”
   f. Policy 18.2.1, which states, “Encourage appropriate infill development.”
   g. Policy 19.2.3, which states, “Encourage the rehabilitation and revitalization of declining development, in a manner consistent with community design and development objectives.”
NOW, THEREFORE, BE IT RESOLVED:

This Commission hereby recommends that the City Council approve the Ordinance to amend the Lancaster Municipal Code (Title 17), for the removal of minimum parking requirements, as attached hereto.

PASSED, APPROVED and ADOPTED this 15th day of August 2016, by the following vote:

AYES: Commissioners Cook, Coronado, Harvey, Smith, Vice Chair Hall, and Chairman Vose.

NOES: None.

ABSTAIN: None.

RECUSED: None.

ABSENT: None.

ATTEST:

JAMES D. VOSE, Chairman
Lancaster Planning Commission

CHUEN NG, Principal Planner
City of Lancaster
ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, AMENDING THE LANCASTER MUNICIPAL CODE, TITLE 17, FOR THE REMOVAL OF MINIMUM PARKING REQUIREMENTS IN THE C (COMMERCIAL) AND CPD (COMMERCIAL PLANNED DEVELOPMENT) ZONES

WHEREAS, the State of California Government Code requires zoning to be consistent with the City’s General Plan; and

WHEREAS, the City’s General Plan states that the City will continue to examine new innovative approaches to address the issues of parking demand; and

WHEREAS, in consideration of the overabundance of existing parking in the City’s commercial shopping centers, the City is taking appropriate actions to address the visual and economic impacts of large, open parking facilities; and

WHEREAS, the removal of minimum parking requirements in the City’s C (Commercial) and CPD (Commercial Planned Development) zones, is an approach to yielding or maximizing value generation, as property owners would have the ability to balance the cost of supplying parking with the potential to add productive uses to areas that would have otherwise been required for parking; and

WHEREAS, notice of intention to consider the amendments to the Lancaster Municipal Code (“LMC”) for the removal of minimum parking requirements in the City’s C and CPD zones has been given in accordance with Section 65090 of the Government Code of the State of California; and

WHEREAS, the City Council finds that the City has made a diligent effort to achieve public participation, and has held an informational meeting on June 20, 2016, and a public hearing on August 15, 2016, for the amendments to the LMC, and has received and commented on all public testimony both oral and written; and

WHEREAS, staff has prepared a written report recommending approval of the amendments to the LMC for the removal of minimum parking requirements in the City’s C and CPD zones; and

WHEREAS, on August 15, 2016, the Planning Commission recommended for adoption, an amendment to the Zoning Code (Title 17) for the removal of minimum parking requirements in the C and CPD zones; and

WHEREAS, the City Council finds that the amendment to the LMC for the removal of minimum parking requirements will not have a significant effect on the environment since these proposed actions are within the scope of the Program Environment Impact Report (SCH #2007111003) prepared for the Lancaster General Plan, and no further environmental review is required; and
WHEREAS, the City Council, based upon evidence in the record hereby makes the following findings in support of amending Title 17 of the Lancaster Municipal Code, including Section 17.12.220:

1. The removal of minimum parking requirements and related zoning amendments in the City’s C and CPD zones is consistent with the City’s General Plan, including:
   a. Objective 14.3, which states, “Achieve a balance between the supply of parking and demand for parking, recognizing the desirability and availability of alternatives to the use of the private automobile.”
   b. Policy 14.3.1, which states, “Maintain an adequate supply of parking that will support the present level of automobiles and allow for the expected increase in alternative modes of transportation.”
   c. Objective 16.3, which states, “Foster development patterns and growth which contributes to, rather than detracts from net fiscal gains to the City.”
   d. Policy 16.3.1, which states, “Promote development patterns which will minimize the costs of infrastructure development, public facilities development and municipal service cost delivery.”
   e. Policy 17.1.6, which states, “Revise the zoning ordinance to conform with the General Plan text and map to address changing conditions with new concepts that will allow both flexibility in application as well as a pleasing and attractive built environment.”
   f. Policy 18.2.1, which states, “Encourage appropriate infill development.”
   g. Policy 19.2.3, which states, “Encourage the rehabilitation and revitalization of declining development, in a manner consistent with community design and development objectives.”

THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DOES HEREBY ORDAIN, AS FOLLOWS:

Section 1. Delete Section 17.12.070.J, eliminating lease or joint usage of parking subject to a director’s review.

Section 2. Amend Section 17.12.100, “Adjustments,” to read as follows:
   “Adjustments.
   The director may reduce the required minimum lot width, minimum lot depth and yard requirements by an amount not to exceed 10%; may increase the maximum height regulations and maximum sign area by an amount not to exceed 10% of the amount specified by the C zone; where the director makes a finding in writing that the applicant has demonstrated:
A. That there are special circumstances or exceptional physical characteristics applicable to the property including size, shape, topography, location or surroundings involved which are not generally applicable to other properties in the same vicinity with the same zoning; and

B. That an adjustment (if authorized) will not constitute a grant of special privilege inconsistent with the limitations on other properties in the same vicinity with the same zoning; and

C. The strict application of the requirements that are sought to be reduced or increased would result in practical difficulties and unnecessary hardship which is inconsistent with the purpose of the requirements; and

D. That approval of the application will not diminish the visual appearance of the property or neighborhood; and

E. Where applicable, that approval of the application will result in the need for less grading and disturbance of soils and natural vegetation. Where applicable, that approval of the application will result in the retention or preservation of native vegetation; particularly Joshua trees, California Juniper, or Creosote shrubs.

Any reduction or increase greater than those specified in this section shall be subject to the granting of a variance."

Section 3. **Delete** Section 17.12.130.B.4, eliminating the maximum floor area ratio.

Section 4. **Amend** Section 17.12.220, “Off-street parking,” to read as follows:

“Off-street parking.

The automobile parking facilities required by this section shall be provided and permanently maintained as such unless and until a substitute has been provided which is in full compliance with the provisions of this title. The following parking requirements shall be complied with in the C zone:

A. General Conditions. The provisions of this section shall apply at the time that:
   1. A building or structure is erected; or
   2. An existing building or structure is altered or enlarged to increase the occupancy capacity.

B. Parking Requirements by Use.
   1. All commercial, service, and office uses, except as otherwise listed in this section. The developer, property owner, or authorized agent shall determine the number of parking spaces sufficient for the proposed use.
   2. Churches and other assembly uses. The developer, property owner, or authorized agent shall determine the number of parking spaces sufficient for the proposed use, subject to a Director’s Review.
   3. Mixed-use, in conjunction with multi-family residential use. The developer, property owner, or authorized agent shall determine the number of parking spaces sufficient for the non-residential portion of the mixed-use development. The parking requirement for the multi-family portion shall be consistent with Section 17.08.100 of the Residential Zones.
   4. Multi-family uses. The parking requirement for multi-family uses shall be consistent with Section 17.08.100 of the Residential Zones.
   5. All uses shall provide parking for disabled persons in accordance with federal and state requirements.”
Section 4. Amend Section 17.12.230, “Design requirements,” including 17.12.230.A.2, “Paving,” to read as follows:

“Paving. Parking areas, as well as the maneuvering areas and driveways used for access thereto shall be paved with:

a. Concrete surfacing to a minimum thickness of 3 1/2 inches with expansion joints as necessary; or
b. Asphalt surfacing, rolled to a smooth, hard surface having a minimum thickness of 2 inches after compaction, and laid over a base of crushed rock, gravel or other similar material compacted to a minimum thickness of 4 inches.
c. For commercial truck parking and drive aisles, asphalt surfacing rolled to a smooth hard surface having a minimum thickness of 3 inches after compaction and, at a minimum, designed to accommodate a traffic index (TI) of 6.5 as calculated in accordance with the latest edition of the CalTrans Highway Design Manual. Large commercial projects may need a greater TI based upon their use.
d. Other alternative material that will provide at least the equivalent in service, life and appearance of the materials and standards which would be employed for development pursuant to subsection A.2.a. or b. of this section.
e. The director of public works, at the request of the director, shall review and report on the adequacy of paving where alternative materials are proposed under subsection A.2.d. of this section. The director of public works may approve such alternative materials if, in his opinion, the evidence indicates compliance with subsection A.2.d. of this section.”

Section 5. Amend Section 17.12.230, “Design requirements,” including 17.12.230.A.3, “Size and Marking of Spaces,” to read as follows:

“Size and Marking of Spaces.

a. Standard parking spaces shall exhibit dimensions of 9 feet wide by 20 feet long or 10 feet wide and 18 feet long in 90 degree parking, or 9 feet wide by 18 feet long in 45- or 60-degree parking, with required disabled person parking spaces as provided by federal and state law.
b. Compact parking spaces may exhibit dimensions between 9 feet wide by 18 feet long to 8 feet wide by 16 feet long. Such spaces shall be labeled “compact” in a manner acceptable to the director.
c. No parking shall occur in the first 10 feet of a required front or street side yard.
d. Where parking abuts an alley, the improved alley may be used as an aisle subject to approval of the parking lot design. (See the following diagrams for parking design options.)”

Section 6. Delete Section 17.12.230.A.5, eliminating guidelines for the location of required parking spaces in the C zone.

Section 7. Amend Section 17.12.230, “Design requirements,” including 17.12.230.A.10.h, regarding parking lot landscaping, to read as follows:

“All parking lots shall be landscaped with shade trees to achieve 50 percent coverage at maturity.”

Section 8. Delete Section 17.12.530.B, eliminating maximum building coverage requirements.
Section 9. That the City Clerk shall certify to the passage of this Ordinance, and will see that it is published and posted in the manner required by law.

I, Britt Avrit, CMC, City Clerk of the City of Lancaster, do hereby certify that the foregoing ordinance was regularly introduced and placed upon its first reading on the __________ day of ______________, 2016, and placed upon its second reading and adoption at a regular meeting of the City Council on the ___ day of ______________, 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

______ BRITT AVRIT, CMC
Mayor
City Clerk
City of Lancaster

______ R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA  )
COUNTY OF LOS ANGELES  )ss
CITY OF LANCASTER  )
CERTIFICATION OF ORDINANCE
CITY COUNCIL

I, ______________________________________________________ City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Ordinance No. ____________, for which the original is on file in my office.

WITNESS MY HAND AND SEAL OF THE CITY OF LANCASTER, on this ____________ day of ______________________, ________.

(seal)
MEMORANDUM
PLANNING COMMISSION MEETING

DATE: May 16, 2016
TO: Chairman Vose and Members of the Planning Commission
FROM: Chuen Ng, Principal Planner
Brian S. Ludicke, Planning Director
SUBJECT: REMOVAL OF MINIMUM PARKING REQUIREMENTS

RECOMMENDATION: Direct staff to prepare an ordinance to eliminate the minimum parking requirements in the City’s commercial zones.

DISCUSSION: On March 21, 2016, City staff brought before the Planning Commission a memo and presentation containing an evaluation of the elimination of minimum parking requirements in the City’s commercial zones. The March memo described why and how minimum parking requirements were established, and how they have worked in practice. It also described the possible outcomes and limitations of removing minimum parking requirements. In discussion with members of the Commission, there were questions raised of whether there were other cities that had done the same and what the outcomes were for those cities. Staff research indicates that, while there are other cities that have removed minimum parking requirements, these changes are typically limited to specific areas, such as downtown/historic districts or other defined areas. Despite the limited information available from other cities, staff believes conclusions can be reached regarding the likely outcomes of removing minimum parking requirements based on observations and experiences in Lancaster.

Downtown Lancaster: Success with Reduced Parking Minimums
The minimum parking requirement for the Downtown Specific Plan area is significantly reduced from the standard requirements, at approximately two (2) spaces per 1,000 square feet as opposed to four (4) per 1,000 square feet in other commercial areas in the City. This reduction was based on the expectation that the downtown area is a “park once” district. A subsequent parking demand study confirmed in 2012 that a significant surplus of parking exists in the area.

Since the adoption of the Downtown Specific Plan in 2008, many buildings have been added or remodeled in the area, in some cases using land that was formerly occupied by parking. (The mixed-use cinema and retail “Forge” building at the southwest corner of Lancaster Boulevard...
and Fig Avenue occupies space that was formerly a parking lot for the Lancaster Performing Arts Center.) Beyond the occupancy of vacant lots, the reduction of minimum parking requirements has allowed more intensive uses, such as restaurants, to occupy existing buildings that they would not have been able to under standard parking requirements. These examples show that the implementation of a reduced minimum parking requirement has not hindered the ability to attract uses to Downtown, but rather, has given the City a greater ability to foster an urban environment with more productive uses. Parking remains generally available even during peak usage events. The BooLVD festival for Halloween drew 30,000 visitors over a 4-hour period, and visitors were able to find parking along side streets extending less than two blocks from Lancaster Boulevard.

**Adverse Consequences of Requiring Excess Parking**

Despite the success in Downtown, the rigidity of the City’s minimum parking requirements for other commercial areas has at times created less than desirable results and unintended consequences. The existing medical office building located on the southeast corner of 15th Street West and Avenue J-8 continues to sit vacant since its construction in late 2008 (see Exhibit “A”). Although the reason for this vacancy can be seen as purely economic, it is also true that the additional parking spaces imposed by the City resulted in a less desirable design. The parking requirement restricted the architectural design to a podium-style building to accommodate additional parking spaces, and consequently, eliminated any ground-floor lease space. This may have dissuaded any tenants that were looking for medical office space that is on the ground floor, including accessibility amenities. Both the building and the parking lots around and under the building remain vacant.

**Benefits of Parking Flexibility**

City staff did provide flexibility on parking requirements to a recently approved development for a Wendy’s restaurant. The development site is located on a narrow parcel adjacent to the Best Western hotel on Avenue I. The City’s minimum parking requirement of 36 parking spaces for the Wendy’s restaurant imposed restrictions on site design and circulation, and would have made the site unusable. The City allowed the applicant to reduce the number of parking spaces from 36 to 25, which freed up space for additional options in design (see Exhibit “B”). This example shows that applicants may be willing to accept less parking in order to achieve entitlement for a specific location. In such cases, it is legitimate to question the benefit of enforcing the City’s parking minimums.

**Parking Requirements for National Chains**

In a search for corporate standards for parking, City staff found that some retailers have defined requirements, while others are flexible. In a flyer for AutoZone, a retailer selling automotive parts, it states that new stores must accommodate 25 to 40 parking spaces for stores ranging from 6,500 to 8,000 square feet (see Exhibit “C”). This calculates to one parking space for every 200 to 250 square feet, which is in line with the City’s current requirements. For Chipotle restaurant, it simply states “parking adequate for restaurant use” and provides no defined parking requirement (see Exhibit “D”). Given these examples, it appears that certain
Retailers will still demand a minimum number of parking spaces for their use. Other retailers, like Chipotle, will be flexible on site size and design to meet their location economic objectives. From staff's standpoint, this is an approach that the City should encourage, as it offers opportunities to "right-size" parking lots and yield the highest use and value for developed land.

CONCLUSION: The City's minimum parking requirements are rooted primarily in a perception of convenience, and not in economic return, which is how the private sector actually views the parking question. The success of creating excessive parking has come at the expense of value generation and the ability to maintain associated on- and off-site improvements over time. The examples cited show that our set of development standards, including parking, is not the prime driver for economic success, and that rigid standards can't help and instead, can hurt by diminishing our flexibility in bringing in new businesses. Given this assessment, staff asks that the Commission provide direction to prepare an ordinance for consideration to remove the City's minimum parking requirements in commercial zones.

CN:BSL/mc

Attachments:
Exhibit "A" [Medical office building at 15th Street West and Avenue J-8]
Exhibit "B" [Wendy's restaurant]
Exhibit "C" [AutoZone]
Exhibit "D" [Chipotle restaurant]
REMOVAL OF MINIMUM PARKING REQUIREMENTS

EXHIBIT "C"

PROTOTYPICAL SITE PLAN EXAMPLES

+ Stores typically range from 6,500 square feet to 8,000 square feet
+ Must accommodate between 25 and 40 uncongested, customer-friendly parking spaces
+ We require up-front, high-impact locations with excellent visibility and access from adjacent streets

VISIT US ON THE INTERNET
For new store development:
www.autozonerealestate.com

For surplus properties:
www.autozoneexcessproperty.com

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Rev. 10.06.15
CHIPOTLE MEXICAN GRILL

Regional Real Estate Contacts

Trade Area & Site Guidelines

Trade Area
- Urban and suburban with strong residential and daytime population
- Preferred generators: residential, office, retail, university, recreation, and hospitals

Restaurant Location
- Urban storefronts, shopping center end-caps and pads, freestanding buildings
- Preferred size of 2,400 square feet
  (current sizes range from 1,800 - 2,800 square feet depending on trade area characteristics)
- 25 feet minimum frontage
- Patio seating preferred
- Zoning to accommodate restaurant use and allow liquor license (beer & margaritas)
- Parking adequate for restaurant use
- Building exterior to allow Chipotle standard storefront design and signage
- Excellent visibility and access

Chipotle
1401 Wynkoop Street
Denver, CO 80202
chipotle.com/development

EXHIBIT "D"
MEMORANDUM
PLANNING COMMISSION MEETING

DATE: March 21, 2016
TO: Chairman Vose and Members of the Planning Commission
FROM: Chuen Ng, Principal Planner
        Brian S. Ludicke, Planning Director
SUBJECT: REMOVAL OF MINIMUM PARKING REQUIREMENTS

City staff is evaluating the elimination of minimum parking requirements in the City’s commercial zones. The reasons for this evaluation are varied, ranging from the fiscal and economic effects of minimum parking requirements to their effect on City development patterns, as the City explores more closely the relationship between development pattern and long-term fiscal resiliency. This memo explores the impacts of having minimum parking standards and the possible outcomes of removing the minimum standards.

Why and how have minimum parking requirements been established?

As with nearly all other cities, Lancaster sets minimum parking requirements for every land use to satisfy the peak demand for free parking. This is based on the assumption that most people will arrive to their destination by private vehicle, and the intention to ensure that these visitors can park quickly, easily, and for free. For Lancaster, minimum parking requirements include one parking space for every 250 square feet of commercial or office floor area, and one parking space for every 100 square feet of restaurant/dining area. Some cities have parking requirements so extensive and detailed that they cover obscure land uses, including asylums, pet cemeteries, and slaughterhouses.

Donald Shoup, a renowned UCLA professor and well-regarded expert in the economics and availability of parking, cites a survey by Richard Willson of planning directors in 144 cities to learn how they set parking requirements. The two most frequently cited methods were “survey nearby cities” and “consult Institute of Transportation Engineers (ITE) handbooks.” Shoup states that the first method is problematic, since it risks repeating someone else’s mistakes, but also fails to reveal where the requirements came from in the first place. He also questions ITE’s methodology, since he believes parking generation rates are inflated by the ample free parking
of suburban survey sites; small sample sizes; and that nothing is said about off-peak parking occupancy.

Other intentions behind having “free” parking spaces include: providing convenience by reducing congestion on and around the site; encouraging growth, in that readily available parking draws people to commerce centers; and supporting orderly development by providing predictability for developers. These intentions are also dependent on assumptions. We assume on-street parking disrupts traffic flow and would create congestion. We assume free, readily available parking draws people to commerce centers and encourages growth. We assume that developers are accustomed to only building a suburban form, and we reinforce a development template that is repeated over and over again.

All of these assumptions can be challenged when we consider cities that have a more compact growth pattern. In Southern California, significant growth is occurring within cities as opposed to the fringes of the region, with demand to add buildings or more intense uses in existing centers. While we may perceive these places to be “congested,” this congestion is also indicative of activity and life, where people work, recreate and dine. We also find developments that do not fit the suburban form, but that are in demand, as reflected in real estate prices, including mixed use and transit-oriented developments. Ultimately, the greatest assumption behind the provision of minimum parking standards is a peak demand based on a science that is arguably arbitrary.

How has the establishment of minimum parking requirements worked in practice?

The establishment of minimum parking requirements has resulted in ample parking for many of Lancaster’s commercial shopping centers and office complexes. Visitors to shopping centers can usually find a parking space within close proximity to the entrance of a retail or office tenant. Parking spaces remain available even during “Black Friday,” the day after Thanksgiving, in which shoppers flock to retail stores for the best advertised sales of the year. Keep in mind that ITE’s analysis of parking generation defines “peak demand” as the time of the day or week in which parking is most heavily used. Peak demand never meant “Black Friday,” or the most demanded time of the year.

Thus, even during events beyond peak demand, parking remains available; although visitors may be slightly inconvenienced by having to park farther away from the store entrance. During times of peak demand on a typical day or week, ample parking remains available throughout destinations within the City. Lancaster residents have become accustomed to being able to park near the entrances of their destinations, and vacant parking spaces simply serve as paved open space. This provides one of two visual perceptions: (1) that a particular destination is convenient to visit, given the “elbow room” for cars; or, (2) that the destination is unsuccessful and failing because it appears to draw few visitors.
What are some of the “unintended consequences” of establishing and regulating minimum parking requirements?

The perception of failing shopping centers is one unintended consequence of establishing minimum parking requirements. Beyond perceptions, the minimum parking requirement has had very real and permanent consequences for how our City functions today. The 10 by 20 feet rectangular delineations indicating “free” parking do not quickly go away; and many times, will outlast the initial proposed use, ultimately resulting in blight.

When cities require minimum parking standards, cities perpetuate low-density development patterns, in which buildings are separated by large parking lots, wide streets, and all other forms of private vehicle accommodations. These accommodations for cars create poor pedestrian environments, since pedestrians have to walk farther between uses, usually along a narrow sidewalk flanked by large parking lots and wide roads with cars traveling at high speeds. Even walking between uses within the same commercial center is often difficult.

Low-density development is expensive to maintain since more infrastructure is required to serve fewer revenue-generating land uses. Although private property owners are responsible for maintaining on-site parking lots, the City is responsible for maintaining dedicated street improvements. These streets will remain an ongoing maintenance liability, and if we continue with the same low-density development patterns, as perpetuated by minimum parking requirements, we will continue to add to our maintenance liabilities while getting little in return.

While we increase our maintenance liabilities, we are also decreasing our value generation, as a result of decreased building area. Minimum parking requirements prohibit property owners from maximizing the use of their property by asking property owners to dedicate land towards free parking that could have otherwise been used for additional building square footage. This lost building square could have been sales area, dining area, office space, or some other type of sales generating retail, dining, or service use. This is especially important because, as real estate professionals will attest, location is the key factor in site selection. Minimum parking requirements may limit those site options, even if a prospective tenant is otherwise satisfied with a particular location.

In the meantime, City staff continues with the cumbersome process of enforcing minimum parking standards. Planning staff keeps a large binder with parking calculations for every shopping center and office complex within the City. The parking calculations contain information for each tenant, including building square-footage, hours of operations, the applicable parking ratio for the use, and the resulting parking allocation for the use. This information requires constant updating as tenants come and go between shopping centers. When the City continues to act as a parking regulator and enforcer, businesses look to the City as an “arbiter” for private parking lots; in particular, during instances when tenants have a desire to reserve the parking spaces closest to their business specifically for their own visitors.
How does removal of minimum parking requirements support various City goals?

The removal of minimum parking requirements is consistent and supportive of other various City goals. In recent years, the City has adopted plans and guidelines that seek to create enhanced livability and sustainability, by promoting more transportation choices, higher design standards, and better amenities in our communities. The General Plan, Architectural Design Guidelines, Master Plan of Trails and Bikeways, and updated Residential Zones include policies, guidelines, and standards that promote walkability, connectivity, and livable environments that would foster healthy lifestyles and job creation. However, these efforts must be coordinated and not be undermined by other regulations that conflict with sustainable objectives. It is difficult to require pedestrian-friendly environments when we continue to require developers to commit more land than what may be necessary for parking.

As Lancaster begins the process of producing a “Complete Streets Master Plan,” in an effort to “right size” our street right-of-ways, we should follow through on the complementary effort to “right size” on-site parking lots. Similarly, a complete street typically includes on-street parking, in an effort to help provide “friction” and slow vehicular travel. There are locations within the City, in particular, those within or closer to the urban core, in which on-street parking would be a benefit for the adjacent land uses as well as meeting street design goals.

The removal of minimum parking requirements will also support the City’s goal for long-term fiscal sustainability. While the City continues in its efforts to create jobs and broaden employment sectors, the City is also paying more attention to how current development patterns affect long-term maintenance. When developers are freed from minimum parking requirements, they will have the option to add more uses to a project site, and will also make use of existing infrastructure that is already serving the site. As a result, we add more jobs, more sales and tax generation without consuming new land and creating new maintenance liabilities.

What are some of the possible outcomes of removing minimum parking requirements?

Removing minimum parking requirements is not a recommendation to remove parking altogether. It simply shifts the calculation for required parking from the City to the developer or property owner with the acceptance that the developer can better determine the required need. It would allow for the potential of “right-sizing” parking lots, in which the City could permit additional buildings on formerly vacant parking spaces. For new developments, the City can allow developers to set the right amount of spaces from the start, and maximize the development potential for the property. In many cases, corporate tenants will still mandate a certain amount of minimum parking (although even these requirements have become more flexible in recent years); however, property owners would have the flexibility to make any necessary adjustments.

In a “free market” approach, parking congestion and conflicts should resolve themselves. A property manager would take a more active approach in managing parking allocation for each
tenant; and perhaps instead of managing parking, a property manager may better manage the location of proposed uses within a shopping center to avoid parking conflicts. Likewise, a tenant may choose to relocate to another site, if the tenant feels that parking is a constraint to the success of that business.

In removal of minimum parking requirements, residents may alter their perspective on congestion and reset their expectations of being able to find a parking space within close proximity to a building entrance. Some of us have similar expectations when we visit popular destinations in urbanized areas, in which we would accept a longer walk from a free parking space to a destination, or pay for parking. While we sometimes may have a negative view of congestion, we should also acknowledge the correlation between desirable destinations and their compact form, in which retail, offices, and dining are concentrated within close proximity to each other. We have this form on Lancaster Boulevard in downtown, and one expects that cars will move slower and free parking may require a short walk, understanding that it is a pedestrian-oriented environment.

**What are the limitations for the proposal of removing minimum parking requirements?**

In consideration of the removal of minimum parking requirements, we should anticipate the possible limitations. We should acknowledge that our automobile-oriented development pattern of the last 60 years has resulted in behaviors of automobile dependency. The removal of minimum parking requirements acknowledges existing development patterns and associated automobile dependent behaviors, but also attempts to “turn the corner” from dependency. At this time, there is no proposal to “unbundle” residential parking requirements, since we accept that a majority of households own automobiles. Again, this is not a recommendation to take away all parking, but rather, a recommendation to allow property owners to make better use of parking spaces that are typically vacant. This would allow them, over time, to create a more compact development pattern should the demand exist.

Occasionally, the City receives requests from short-term, high-demand uses, such as churches, that propose an assembly use yielding a high number of visitors during a particular time of the week within a location that may be limited in parking. A pure application of the “free market” approach would let property owners and tenants sort this out; however, staff will continue to take a more reserved approach in handling these short-term, high-demand uses by requiring a Director’s Review for an assessment of the location for the proposed use.

**Conclusion**

The removal of minimum parking requirements is a small step (one of many) that the City must take to reverse low-density, sprawling development patterns, and the resulting fiscal liabilities. Staff feels that by removing this regulatory barrier, developers would have the ability to maximize land use potential and value generation, with resulting long-term benefits to the City.

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