

Statement by Kim Cranston to Los Altos City Council October 28, 2014

Dear Mayor Saterlee, Mayor Pro Tem Pepper, and Councilmembers Bruins, Carpenter and Fishpaw:

I am writing regarding Agenda Item 11 on the City Council Agenda tonight regarding: Downtown Parking Management Plan: Next steps regarding a downtown parking structure.

I appreciate all the effort King Lear and others put into the proposal the city council studied tonight and the effort the Los Altos Chamber of Commerce put into the proposal the city council studied two week ago. They both informed my thinking on the nature of, and possible solutions to, Los Altos's downtown parking problems.

I understand the proposal assumes downtown property owners voting to form an assessment district to help finance a garage. Depending on the path taken, it will require 50 or 60 percent of the property owner votes to form an assessment district. That's a high bar requiring strong collaboration between the city, property owners and all other stakeholders.

I am speaking on my own behalf tonight and not on behalf of Los Altos Property Owners Downtown (LAPOD), of which I am President. LAPOD's membership represents about 30% of the votes required to form an assessment district to finance this proposal.

LAPOD has been discussing parking and other city problems extensively and has not taken a formal position on this proposal but I feel many of the LAPOD board and its members are aligned with my thinking.

As a downtown property owner, I would not vote to form an assessment district to help finance this proposal. Let me explain why.

The downtown parking problem was created by the city council that from 2008 and 2012 eliminated 139 parking spaces in the downtown Public Parking District and allowed two developments to provide 76 fewer parking spaces than required by code. That's a total of 215 parking spaces effectively eliminated from the downtown Public Parking District. Attachment 1 shows exactly how that happened. The attachment is based on the City's *Downtown Parking Management Plan (Parking Management Plan)* and *Downtown Public Parking Data sheet (Parking Data Sheet)*, and minutes and agendas of noted City Council meetings. If you think any of these numbers are inaccurate, please let me know which of the city's documents from which they are derived are inaccurate.

The *Parking Management Plan* projects the cost to replace these 215 parking spaces ranges from \$8.18 million cash (and another \$8.5 million in maintenance costs over 30 years) to \$27.3 million with financing and maintenance costs over 30 years. I think the Chamber's proposal may project even higher replacement costs.

While the city was eliminating these spaces, I and other property owners expressed concern but were assured by Mayor Packard that Safeway would provide 159 spaces to replace the

eliminated spaces and by Councilwoman Carpenter that Safeway would provide 129 spaces to replace the eliminated spaces.

However, the *Parking Management Plan* projects Safeway will actually only provide 34 spaces midday weekdays and no spaces certain holidays, and Safeway can end the shared parking arrangement in less than 5 years.

The city's inaccurate projections, significant lost parking, and lack of awareness of what it was doing lead me to conclude Los Altos's parking problem is a symptom of larger planning and management problems.

Other symptoms of these larger planning and management problems include:

- The First Street Streetscape, Phase 1A, that went \$642,266 over budget or 43.3%, and at least 50% over schedule.
- The First Street "Canyon" Development.
- The reconfiguration of Parking Plaza 3 that created parking and access problems for emergency delivery vehicles.
- Perpetual planning fatigue and "analysis paralysis" (See Attachment 2)
- The fact that some current and former city officials believe the city has a downtown master plan when in response to a Public Record Act request I was informed no document with that name exists and people who were on the city council when it adopted the Los Altos Downtown Urban Design Plan (which some apparently believe is a master plan) say it was not intended to be a master plan.
- The sale of the city-owned property at First and Main in a backroom secret deal (with 5 of 6 City Council Closed Sessions incorrectly noticed as "Lease", instead of "Sale", negotiations) from which interested developers were excluded, for millions of dollars less than it will cost to replace the public parking that was there and for \$1.5 million (33%) less than the city's most recent 2008 appraisal of the property – a deal city staff characterized as resulting from a Request for Proposal (RFP) when in fact the Morris proposal was submitted over a year after the RFP deadline and it included a brokerage commission forbidden by the RFP to Morris' broker (who was also Mayor Packard's broker leasing his commercial real estate).
- Confusion over how many parking spaces the city lost downtown. I think this is largely caused by the fact the city essentially has two sets of books on how many parking spaces were eliminated downtown and how many will replace them – Set One: the *Parking Management Plan* (Attachment 3) and Set Two: the *Parking Data Sheet*

(Attachment 4), which Councilwoman Carpenter made part of the record when the city adopted the *Parking Management Plan*.

The *Parking Management Plan* states 96 spaces were eliminated at First and Main and the *Parking Data Sheet* states 54 spaces were eliminated there.

The *Parking Management Plan* states Safeway shared parking will provide only 34 spaces midday, weekdays and the *Parking Data sheet*, states Safeway shared parking will provide 129 spaces.

The Chamber of Commerce proposal relies on the *Parking Management Plan* figures of 96 spaces lost and 34 spaces from Safeway Shared Parking.

Also, the *Parking Data Sheet* includes the spaces lost at First and Main with “Loss of Public Parking District Spaces Due to Downtown Improvements” but the *Parking Management Plan* does not include those spaces in the Downtown Parking District.

I hope you see the confusion created by these two sets of books, and hope the city isn't keeping two sets of books for anything else.

Frankly, I think whether or not First and Main was part of the Downtown Parking District is a distinction without a difference – like saying there's a difference between parking spaces on the East and West sides of First Street – since the city purchased First and Main for public parking. I know some say the city didn't purchase First and Main for public parking, but the city's press release regarding the purchase of 230 First Street states “City Announces Proposal to Acquire Land for Downtown Public Parking” (Attachment 5)– you can decide whether to believe people who say it wasn't purchased for public parking or your own eyes.

I understand even though the city council in 1995 purchased First and Main for public parking, the earlier council didn't bind the council in 2012 that sold it for a development without any public parking. This underscores the need to address the city's management and planning problems so plans implemented by one council aren't so easily ignored or forgotten by another.

All of these symptoms of the city's management and planning problems lead me to conclude I should not support forming an assessment district to help pay for solutions to the parking problem the city created, and or ask my merchant tenants to pay higher rents, until I have strong assurances that as soon I do so the city won't immediately eliminate more parking spaces and create a new parking problem. I want to be clear I don't think the City should or could pay to replace all of the parking it effectively eliminated with its extreme fiscal irresponsibility – I simply want strong assurances the city won't create more parking problems as soon as we solve this one.

To provide assurances I and, I believe, most other property owners will want, the city must address its management and planning problems by developing a community-based Specific Plan for the downtown and civic center to:

- Engage the community in a meaningful process to determine what it wants;
- Increase its planning and management capacities;
- Identify and optimize significant opportunities and better understand the numerous interconnected challenges we face, from parking to traffic to pedestrian access to increasing downtown vibrancy; and
- Make Los Altos the greatest city possible and avoid more miscalculations that waste precious opportunities and resources – a very real possibility with the city’s current Sarah Winchester, ad hoc approach to updating the Civic Center Master Plan when people are openly talking about moving the theater and library downtown.

Specific Plans must meet requirements mandated by State law, require only one EIR, are adopted by legislative act, and increase predictability and accountability.

In conclusion, I urge you not to spend more time or money exploring the development of a parking garage that assumes property owner support for an assessment district until you first address the city’s management and planning problems that created the parking problem by developing a Specific Plan for the downtown and civic center.

Thank you for your consideration.

Kim

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Kim Cranston
Los Altos Hills

Voting record on downtown parking reduction and financial impact. (April 2008-November 2012)

Projects that eliminated parking	Date Council Vote	Spaces lost	Councilmember Votes					
			Carpenter	Casas	Fishpaw	Packard	Satterlee	Becker
240 Third	4/22/08	2	Y	Y		Y	Y	Y
San Antonio Road Rehabilitation Project	9/22/09	9	Y	Y		Y	Y	Y
First St. Streetscape Project Final Design (including downtown intersections)	2/9/10	13	Y	Y		Y	Y	Y
Hotel	9/14/10	1	Y	Y		R	Y	Y
400 Main St.	9/25/12	96	Y	Y	Y	Y	Y	
First St. Streetscape Phase 1B	11/13/12	18	Y	Y	Y	Y	Y	
Total Spaces eliminated		139	139	139	114	138	139	25
Projects under parked per code		Number/ % under parked						
Hotel	9/14/10	4/100%	Y	Y		R	Y	Y
Safeway	1/24/12	72/31%	Y	Y	Y	Y	A	
Total Spaces under parked		76	76	76	72	72	4	4
Total spaces eliminated or under parked		215	215	215	186	210	143	29
Replacement cost cash		\$8,187,415	\$8,187,415	\$8,187,415	\$7,083,066	\$7,997,010	\$5,445,583	\$1,104,349
Replacement cost with financing & maintenance		\$27,334,670	\$27,334,670	\$27,334,670	\$23,647,668	\$26,698,980	\$18,180,734	\$3,687,002

(Los Altos City *Downtown Parking Management Plan* (“*Parking Management Plan*”), *Downtown Public Parking Data sheet* (“*Parking Data Sheet*”), and minutes and agendas of noted City Council meetings.) If anyone thinks these numbers are inaccurate, please specify which of the city’s documents from which they are derived are inaccurate.

Councilmember Packard was recused (R) from one vote, Councilmembers Becker and Fishpaw were not members of the council for some votes, and Councilmember Satterlee abstained (A) from one vote because she had not had a chance to read the Safeway Shared Parking Agreement.

Two city documents have different conflicting figures for the number of parking spaces eliminated at First and Main: The *Parking Management Plan* figure is 96 and the *Parking Data Sheet* figure is 54.

The *Parking Management Plan* projects the cost to replace parking spaces with a garage as \$38,081 per space if the city paid cash (*Parking Plan* p. 93). If the city finances construction of the garage over 30 years, the projected cost per net new space, including construction, financing and maintenance costs, is \$127,138. The *Parking Plan* includes three items in the “Annualized total cost (30 years) \$1,169,677.25” of the garage: (1) “Average annual maintenance cost for 30 year lifecycle (3%) \$364,827.84”; (2) “Average Annual Debt Service for capital Cost for 30 years (6.50%) \$454,507”; and (3) “Annualized capital cost (30 years) \$350,342,25. The total annual cost per net

new space is \$4,237.96 (\$1,169,676/276). The total cost per net new space over 30 years is \$127,138.70 (30x\$4,237.96) (*Parking Plan* p. 94). The total cost for the 215 spaces eliminated or not built is \$8,187,415 (215x\$38,081) cash or \$27,334,670 (215x\$127,138) with financing over 30 years, including construction, financing and maintenance costs.

Enchanté Boutique Hotel has parking as a property within the Parking District formed in 1955. However, the City Council did not require the hotel to provide 4 parking spaces required by code when it built above 100% Floor Area Ratio, the city decided “a parking space in the Main Street public right-of-way shall be striped for either passenger loading or general loading and unloading” (City Council Agenda Report September 14, 2010), and the Hotel is providing a public plaza element integrated into the private outdoor hotel patio area.”(City Council Agenda Report on “First and Main Street Property” May 10, 2011). The *Parking Management Plan* projects the cost to replace these 5 parking spaces in a garage ranges from \$190,276 cash (and an additional \$198,276 to maintain those spaces over 30 years) to \$635,690 with financing and maintenance costs over 30 years.

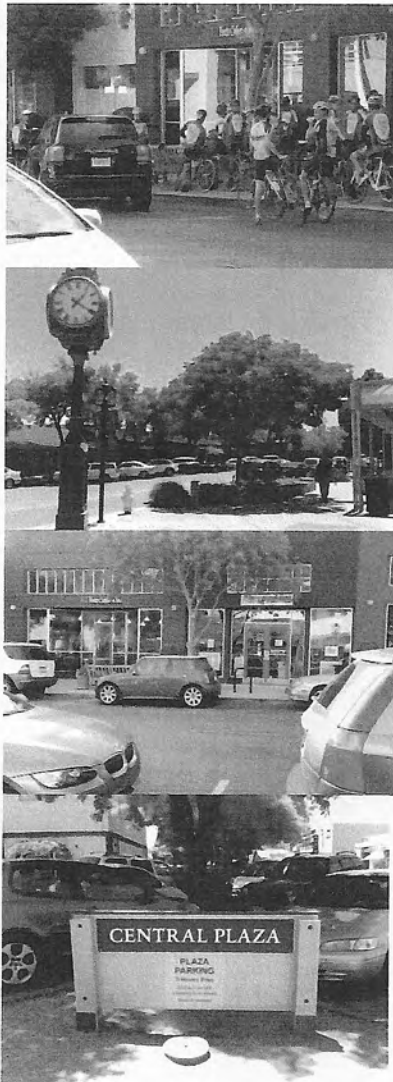
The *Parking Management Plan* projects 34 spaces available at Safeway midday weekdays and none during certain holidays, and Safeway can pay \$1 million in 2019 to end the Safeway Shared Parking Agreement (*Parking Management Plan* p. 7, 78-79; Safeway Shared Parking Agreement). The Safeway Shared Parking Agreement is essentially a two-for-one Safeway Special that provides that in exchange for (1) Safeway providing a projected 34 spaces midday weekdays (that it would cost \$1,294,754 to replace with parking spaces in a garage) and no spaces during certain holidays for five years, after which Safeway may terminate the Shared Parking Agreement for \$1million, (2) Safeway did not have to build 72 parking spaces required by code, which it would cost \$2,741,832 to replace with parking spaces in a garage.

Los Altos Downtown Plans, Studies, Reports 1987 through 2013

By Subject

Year	Master Plans/Planning Reports	Year	Parking Reports	Year	Economic Development Reports/Studies
2009	Proposal for Visioning Workshops for Downtown Los Altos, Anne Stedler, City staff (proposal dropped)	2013	Temporary Replacement Public Parking Options	2012	Developer Impact Study
2009	Community Center Master Plan	2013	Downtown Parking Management Plan	2012	Downtown Parking Study
2002	Los Altos General Plan 2002	2012	2012 Downtown Parking Management Plan	2012	City-Wide Circulation Wayfinding
1998	Community Vision 2020	2011	Downtown Parking & Development Potential	2009	Packard/Carroll Committee Report
		2011	Downtown Opportunity-Final Revised EIR		
		2010	Downtown Parking Committee		
		2010	Report recommending that a Council sub-committee address employees parking & recommend short & long-term options to resolve parking problem.		
2012	Exceptions for Downtown Zoning and Two Stories Limitation	2009	Public Parking Plazas Opportunity Study		
2012	Ad Hoc Continuous Retail Committee (zoning issues)	2009	Los Altos Office and Retail Parking Standards		
2010	Downtown Design Guidelines	2008	Downtown Parking In-Lieu Fee		
2008	Los Altos Downtown Architectural Design Standards	2008	City of Los Altos Downtown-Wide Traffic and Parking Impact Analysis		
2008	Downtown Zoning Amendments	2007	Downtown Traffic & Parking Impact Analysis		
2006	Proposed Downtown Zoning Changes to Increase Retail Report	1996	An Evaluation of Barriers to Resolving Downtown Los Altos Parking Problems & Identification of Potential Solutions		
1993	Los Altos Downtown Urban Design Plan	1994	1994 Progress Report of the Parking 2000 Committee		
		1993	Review of Parking Ratios Downtown		
		1993	Los Altos Downtown Parking Garage Work-Study Committee Progress Report No. 1		
		1987	Downtown Parking Study		
			Andrea Eaton & "Is Los Altos Planning Ahead?" - Bill Maston Presentation Dec 11, 2013		

Final Report



Downtown Parking Management Plan for the City of Los Altos

Prepared for the

City of Los Altos

September 2013

**CDM
Smith**

ATTACHMENT 3

Based on the number of one-time tickets that are issued within a year, the fiscal impact of waiving first time tickets would be significant (approximately \$65,000) and would unlikely be offset by the increased fines for repeat offenders. The Council may want to consider not waiving the first ticket but still doubling fines for offenders who receive three or more tickets in a calendar year. The Police Department confirmed that a graduated fine program could be in place once a new enforcement software system is implemented. This strategy could be implemented with either a new manual chalking system or an LPR system. Without the warning ticket component, this strategy would be cost neutral.

Online All-Day Permits

The City presently has all-day customer parking permits available for sale to merchants or residents for \$25 for a book of 25 permits. The consultant recommended adding an online version that could be purchased by customers in advance of coming downtown. More in-depth information on the cost of developing online all-day permits has not yet been obtained. Staff recommends waiting until the new website has been in operation for a few months to see how this function could be integrated into the capabilities of the new site before further pursuing this option.

In the interim, staff has put more detailed information about the availability of the booklets of all-day permits on the new City website and included it in the information sent out to merchants with the annual employee parking renewal mailing.

Continuation of the Holiday Valet Parking Program

It is recommended to continue the holiday valet parking program on an annual basis to help offset the increased parking demand during the holiday season. The estimated cost of the service is \$4,000 plus an additional \$3,000 for marketing, including creating signs and banners and publishing newspaper ads. These funds have been identified in the 2013/14 operating budget. The business community may be willing to contribute to offset the expense of this program.

Bicycle Parking

The issue of additional bicycle parking has been referred to the Bicycle and Pedestrian Advisory Commission for further study.

Parking Supply Findings and Action Strategy

Occupancy Levels

The results of the parking supply analysis in the Downtown Parking Management Plan represented conditions in September and December 2012. At that point in time, the City was just below the defined practical capacity of 85%.

Since completion of the Plan, 17 spaces in the Downtown Parking District and the 96 spaces in the 400 Main lot have been removed due to planned projects. The consultant estimated that during this period, prior to the opening of Safeway, the downtown is at 88% occupancy

1. The current occupancy rate of the dedicated existing Safeway parking lot was multiplied by the proposed 154-space future Safeway lot to estimate overall parking demand at that time of day.
2. The total number of spaces representing the net increase in demand was reduced by a factor of 25 percent to account for the non-linear relationship between increased store size and increased demand.
3. It was assumed that the 25 dedicated Safeway spaces at the future store would be occupied first by Safeway employees.
4. Calculate the difference between the 129 shared spaces and the overall, minus 25 spaces, calculated parking demand. This is the expected available shared Safeway supply for public use, dependent on time of day.
5. Add the expected available shared Safeway supply to the downtown parking district supply to result in an ultimate time-dependent available parking supply for downtown patrons and employees.

It was assumed, based on the Safeway memorandum, that weekday early evening parking demand would utilize all available Safeway parking supply. Since there are currently several hundred parking spaces in the downtown parking district available during that time period, any parking spillover from Safeway would be adequately managed by the available evening parking supply. As such, only the weekday midday, weekend midday, and weekend evening Safeway supply availability was calculated.

Based on the above calculation steps, the resulting total available supply from the Safeway shared parking supply, dependent on time, ranges from 34 spaces during the weekday midday to 105 spaces on weekend evenings.

Safeway provided an additional memorandum to the City of Los Altos from December 8th, 2011³¹, responding to comments on the store expansion transportation study. This document stated that approximately 44 spaces would be available between 11AM and 3PM on a typical weekday midday time period. However, the Safeway memo did not contain the background information on how the 44 space calculation was determined. As such, in order to remain conservative in the short-term future, the 34 spaces calculated to be available during the weekday midday was used as the available public parking supply at Safeway.

3.2.1.4 Short Term Future Parking Supply

Table 3-4 shows the expected short-term future parking inventory during the weekday and weekend midday peak hour, including the time-adjusted available parking spaces from the shared Safeway lot, as well as the eliminated spaces at the 400 Main development and from streetscape improvements. The estimated 1,466 parking spaces during the weekday midday and 1,432 weekend midday spaces represents a decrease of 79 spaces and 113 spaces, respectively, from existing conditions.

³¹ Responses to Transportation Comments on the Los Altos Safeway Expansion Initial Study/Mitigated Negative Declaration, Fehr & Peers, December 8th, 2011.

**DOWNTOWN PUBLIC PARKING DATA
JULY 17, 2013**

Current Supply of Public Parking Spaces

1,204 Public Plaza Spaces (includes ADA spaces)

245 On-Street Spaces (includes State and Main and numbered streets between North and South Plazas)

Total: 1,449 Public Parking District Spaces

Loss of Public Parking District Spaces Due to Downtown Improvements

First and Main Redevelopment - 54 Spaces

First Street Improvements - 18 Spaces

This includes the 5 spaces in front of First and Main and the 11 spaces in front of Safeway. Though Safeway isn't technically in the district, it does abut the district and as such is used as downtown district parking.

An additional 4 spaces will be removed on First Street north of the parking district in front of private development that has its own on-site parking - 2 new spaces will be provided resulting in a 2 space net reduction.

Intersection Improvements - 13 Spaces

San Antonio Road Improvements - 9 Spaces

Total: 94 Parking Spaces - 92 Public Parking District Spaces

Safeway Parking Agreement

154 parking spaces

25 parking spaces reserved for employees and 129 dedicated parking spaces annexed to the parking district and available to the public



P R E S S R E L E A S E

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August 23, 1995

Contact:

Bruce Bane

Director of Public Works

(415) 948-1491, ext. 224

For Immediate Release:

CITY ANNOUNCES PROPOSAL TO
ACQUIRE LAND FOR DOWNTOWN PUBLIC PARKING

The City of Los Altos has learned of an opportunity to acquire additional land in the downtown area that will provide 42 more parking spaces. The owner of the property at 230 First St., Melchor Investment Company, has signed an agreement that provides the City the opportunity to purchase the parcel, which is approximately 27,800 sq. ft. in size. This presents a unique one-time opportunity to expand surface level parking. The additional parking facilities should be of significant immediate benefit in alleviating parking problems in downtown Los Altos.

The parcel is located near the downtown retail core in an area of high parking demand. It is situated between First Street and Foothill Expressway and between the Kentucky Fried Chicken building and the Safeway parking lot. The property is currently under-developed in terms of the full potential for surface level parking on the premises. When the existing parking area is redesigned, a total of 72 parking stalls can be accommodated. Existing leases on the property provide 20 stalls for the Nielsen's Cleaners Building, which occupies a portion of the subject site, and 10 stalls for the Kentucky Fried Chicken business on the adjacent property. The remaining 42 stalls will be designated for public parking. Even more impressive are the options for additional parking and development of the site.

The financing plan for the acquisition cost of \$1,400,000 includes a combination of issuing debt described as Certificates of Participation and the use of existing funds in the City's Community Improvement Reserve/Fund. Various alternatives are under current review and will depend on cost effectiveness and current law. The lease revenue from the Nielsen building lease and the KFC parking lease will be used to pay debt service on the certificates of participation.

The acquisition proposal is scheduled to be considered by the City Council at their meeting at 7:30 p.m. September 5, 1995 in the Community Meeting Chambers in City Hall. A detailed financing plan with alternatives will be presented to the City Council at the September 19 City Council meeting.

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ATTACHMENT 5