Seattle Department of Construction & Inspections

October 23, 2017

TO: Councilmember Lisa Herbold
FR: Nathan Torgelson, Director NLT
RE: Parking Questions

Following please find answers and thoughts about the questions you have asked about parking requirements for development. Please let us know if you have further questions or would like to meet to discuss further.

1. Please update the data provided on parking spaces per dwelling. Have the trends changed since February 2015?

Trends in proposed parking in development permit applications made in 2015 and 2016 remained largely consistent with the trends from mid-2012 through 2014. This was for developments permit applications in places where parking is optional (Urban Centers, Urban Villages). Throughout the overall period of mid-2012 through 2016, in buildings proposed with parking, the average rate of parking provision remained steady at 0.73 spaces per dwelling (or about 3 spaces for every 4 dwelling units). When including developments with and without parking in the calculation, the average amount of parking provided is approximately 0.51 parking spaces per dwelling unit, which has dropped only slightly since the 2015 findings.

Development in affected areas

	Mid-2012-2014	Mid-2012 thru 2015	Mid-2012 Thru 2016
Number of dwelling units proposed	18,877	37,141	49,976
Proportion of units that are in buildings with parking	88%	87%	87%
Total number of units proposed in buildings with parking	16,594	32,227	43,449
Total number of units proposed without parking	2,283	4,914	6,527
Average amount of parking provided in buildings that include parking	0.72 parking spaces per dwelling unit	0.73 parking spaces per dwelling unit	0.73 parking spaces per dwelling unit
Average of parking provided in all projects	0.55 parking spaces per dwelling unit	0.51 parking spaces per dwelling unit	0.51 parking spaces per dwelling unit

2. In August, the Seattle Times reported that the number of personal vehicles owned by Seattleites has grown at the same speed as the number of people in the city? Do you agree with that data? Do you have any information about where those cars are located? What is the relationship to the locations of urban villages and frequent transit service and new construction with or without parking?

The Seattle Times reporter Gene Balk has confirmed that he used one-year data for this article. The use of American Community Survey (ACS) data from one year is subject to a greater error factor than ACS data that is averaged across multiple years. We believe that the article's headline theme is not that useful for informing decisions about City parking policy because it is a broad-brush interpretation that lacks a causal link between new residents and how many cars are in the city. To his credit, other information in Mr. Balk's article and a similar May 12 article about reversals in rates of car ownership per household (tied to millennial populations) do discuss additional context about growth and parking matters.

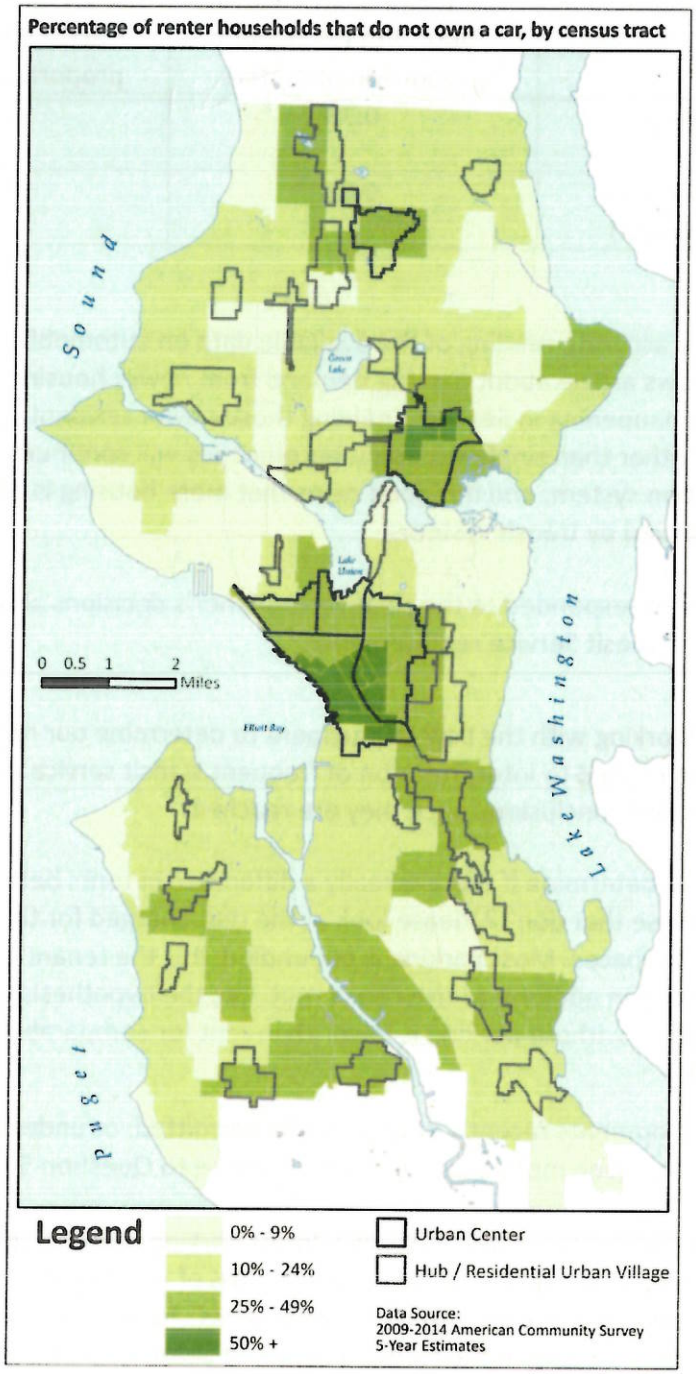
We have collected information that is more germane to the policies we have presented. Our analysis confirms that renter households are much less likely than homeowner households to have automobiles, with especially lower rates of automobiles for renters living in the denser parts of Seattle. Renters also have only about half as many automobiles available to them as the general population. This means that corresponding parking demands per dwelling unit in urban centers and urban villages are actually lower than for the city as a whole. This is also a finding supported by King County's Right Size Parking study.

As we note in the Director's report made available on September 14, 2017:

> *"Approximately 40-48% of Seattle renter households living in the neighborhoods with the most apartments and condominiums already live without an automobile. This helps to limit residential parking demand.*

This is confirmed by SDCI analysis of data from the American Community Survey for the 2010-2014 period. For the one-quarter of Seattle census tracts with the highest proportion of renter households, 40% of all renter households have no vehicle. In the top-eighth subset of census tracts with most renter households, the proportion of households without vehicles is higher, at 48% of all renter households. This compares to an average of 21% of renter households with no vehicle available in Seattle census tracts, and 9% of renter households in the one-quarter of census tracts with the lowest shares of renter-occupied housing. Also, the average condition for owner-occupied housing in [all] Seattle census tracts is that only 6% of homeowner households have no vehicle available to them."

The map below that shows percentages of renter households that do not own a car, by census tract, supports these findings.



The ACS data also illustrate the rate of vehicle availability to households in different Census tracts. The table below shows that renters in renter-dominated areas tend to have fewer vehicles available to them – only about one-half as much as the vehicles available to households in places with the most homeowners.

	The 1/4 of Seattle Census tracts with the highest proportion of renters	The 1/4 of Seattle Census tracts with the lowest proportion of renters
Average vehicles available to renter households	0.78	1.54
Average vehicles available to all households (renters & owners)	0.88	1.81

Source: SDCI, 2016-2017

So, we believe that a more accurate reading of the available data on automobile ownership tells a different story than the news article about parking demand from newer housing in the places where the most growth is happening in Seattle. Enabling those newer residents to increasingly adopt commuting modes other than single-occupant automobiles will continue to be important for managing our transportation system, and it is good news that more housing is being provided in the places that are best served by transit systems.

3. How has the Department responded to the Hearing Examiner's decisions about how to interpret the Frequent Transit Service requirement?

We are in the process of working with the Law Department to determine our response to the Hearing Examiner decision related to interpretation of frequent transit service as it is defined in the Land Use Code. We will share conclusions once they are reached.

4. Do we have any data to determine if there is really a difference in rents between projects that provide parking and those that don't? Please look at the rent charged for the unit, not the rent charged for any parking spaces. Most parking is unbundled: it is the tenant's choice whether or not to pay for the parking in addition to their base rent. So, the hypothesis I want to test is: rent for units in a building without parking is lower than rent for comparably-sized units in buildings with parking.

The data we have on developments recently built, recently permitted, or under review by SDCI does not include rental prices (see more explanation in response to Question 5 below).

We do not have a source that confirms that in Seattle "most parking is unbundled." Rather, Dupre and Scott data from 2017 indicate that in the region about 50% of apartment housing (in buildings 20 units and larger) have parking bundled into the costs of rents. Interestingly, this varies from only 3% of units with bundled parking in the central portion of Seattle, to 24% in the northern portion of Seattle and 60% in the southern portion of Seattle.

Dupre and Scott do not publish data on rent differences between buildings with and without parking. So, confirming actual rent price comparisons would be difficult. Assuming buildings without parking would experience significant total construction cost savings, we believe it is likely that construction costs per dwelling unit would be lower in a building without parking than one with garage parking. Therefore, there would likely be more flexibility in the building without

parking to offer rents at lower levels while still meeting profitability expectations. The Portland study indicated that the cost of building garage parking (assumed as $55,000 per stall) would create construction costs equivalent to $500 per month rent per dwelling unit. These costs would always represent a cost burden that is likely to factor into the rent levels set for those buildings.

5. Do we have data about car ownership in recent projects? Can we use Census data, Washington State Department of Licensing data, or both to determine whether people moving into new buildings have cars? Can we quantify whether people living near high-capacity transit have fewer cars?

See the response to Question 2. The 2012-2016 development data set we have includes development proposals that may still be in review, some that have received permits but have not completed construction yet, and some developments that are likely built and already occupied. Given this variability, review of actual parking usage in new buildings from our data set has not occurred and would require consultant assistance.

What can be reported is that the span of residential development building types varies widely from small-unit apartments in various urban villages, to larger apartment or condo complexes in Downtown or South Lake Union. It would be reasonable to assume that, as is used in parking demand analyses for new development, actual parking demands range from 0.3 – 0.5 spaces per dwelling unit for smaller dwellings (studios and small one-bedroom units), to 0.5 – 0.8 spaces per dwelling unit for larger dwellings. Sources for these estimates range from consultants' surveying of actual buildings' parking use, parking generation factors using professionally accepted sources, and findings from the King County Right Size Parking study that are similar to these demand factors. As you note in Question 7, developments serving higher-income households tend to assume a higher rate of vehicle parking demand, for which they can design accordingly.

6. SDCI's report quoted a 2012 study for Portland's Bureau of Planning and Sustainability regarding costs for housing and parking. What would it take to do that work for Seattle? Why can't you replicate that study with local information?

The Portland study, in our opinion, was conducted for prototypical development with different parking arrangements at surface level or in garages and with other assumptions about a typical lot size that are comparable to Seattle development. That study also focused on calculating the physical space tradeoffs between building parking and garage entrances versus building residential dwelling units, all of which affects financial outcomes. These kinds of prototypes were not intensively defined in ways that are specific to Portland, Oregon. The study's conclusions, therefore, are transferable to Seattle.

We do not recommend replicating the Portland study as it would not be an efficient use of limited resources.

7. Many studies have shown a correlation between income and car ownership. Higher-income households are more likely to own cars. They are also more likely to be able to afford the rents in luxury buildings. Based on your department's experience, is there a way to identify a luxury building and differentiate it at permitting from a building with more modest rents?

Our policies and codes do not differentiate luxury housing for the purpose of allowing or requiring higher levels of parking. There also are not restrictions on how much parking a luxury building may have. Rather, the code recognizes that housing serving lower-income households generates lesser demands for parking due to lower rates of automobile ownership, and thus has lower minimum parking requirements for such housing. SDCI has not contemplated setting different parking requirements based on higher household income levels. However, we are willing to discuss the topic more with you if you would like.

8. The Hearing Examiner recently ruled that data about transit performance should be used rather than transit schedules. Do we know what effect this is having? How many of the Frequent Transit Service routes are on-time?

We are still assessing the recent Hearing Examiner Ruling. We believe that it is not practically feasible to set parking regulations based on performance of buses on streets. This would create an uncertain regulatory environment for permit applicants, neighbors and SDCI staff. This was never the intent because past regulatory choices and decision-making involved using SDOT and King County Metro standards that were and are defined according to scheduled service.

King County Metro's annual System Evaluation Report will be released by October 31, 2017 and will provide on-time performance data for all Metro routes (including those in Seattle). This will be the best available data which should be publicly available in a couple weeks.

9. How many of the FTS areas include or are adjacent to RPZs?

See attached figures showing the FTS areas, the RPZs, and on-street paid parking areas. Most RPZs are located in places with FTS service, except Magnolia, Montlake, and Fauntleroy.

10. Many projects that are not required to provide parking still prepare on-street parking studies. What do those parking studies show us? Does looking at those studies change your recommendation at all? Are developers addressing parking demand for their projects in areas with congested on-street parking?

In some cases, the studies show that more on-street parking capacity is available than is popularly perceived. In some cases, the studies show that on-street parking capacity is more heavily used. The project-specific parking studies are performed to assess project-related impacts. The City's SEPA policies condone use of impact-mitigation for parking impacts in some portions of the city but not others. SDCI uses project specific studies to require mitigation when warranted in places where mitigation is authorized. Possible parking impact mitigations indicated in our SEPA policies include: transportation management programs, parking management plans, incentives for non-single-

occupant vehicle travel (transit pass subsidies, parking fees, bicycle parking), increased parking ratios, and reductions in non-residential development densities.

We considered information from project specific parking studies in making policy recommendations. Analysis of development in areas where providing parking is optional has also been used in making policy recommendations. The data of development and how much parking is provided show that 87 percent of dwelling units recently built or to be built provide parking. The average amount of parking provided is approximately 3 parking spaces for every 4 dwelling units. At this level of provision, it can be concluded that parking demands on average are being met in a majority of situations. This approach to parking is known nationally as "right sized" parking.

Figure 3.7–7 Restricted parking zones in Seattle

1. Montlake
2. Squire Park/Cherry Hill
3. Fauntleroy
4. Capitol Hill
5. Wallingford
6. University Park
7. First Hill
8. Eastlake
9. Magnolia
10. University District West
11. North Queen Anne
12. North Capitol Hill
13. Lower Queen Anne
14. Central District
15. Belmont/Harvard
16. Mount Baker
17. North Beacon Hill
18. Licton Springs
19. Roosevelt
20. Ravenna/Bryant
21. Pike/Pine
22. Wallingford/Lincoln HS
23. Madison Valley
24. Cascade
25. Westlake East
26. Upper Queen Anne
27. Fremont
28. Beacon Hill
29. Columbia City
30. Othello
31. Rainier Beach
A. Montlake /Husky Game Days
B. Ravenna/Laurelhurst Husky Game Days

Source:
City of Seattle, 2014