



MEMORANDUM

DATE: February 7, 2017

TO: Luke Stifflear, Trustee
Neale Byrnes, Trustee

CC: President Cauley and the Village Board of Trustees

FROM: Kathleen A. Gargano, Village Manager
Bradley J. Bloom, Assistant Village Manager

RE: **Parking Deck Capacity Discussion**

Background

On November 8, 2016, the voters in School District 181 approved a referendum to build a new Middle School located at the current site of 100 S. Garfield. The School District and the Village believe that there is an opportunity to build a parking deck that would both serve the school's parking needs and address the lack of available parking in the Village's central business district (CBD) during periods of highest demand for parking in the CBD. In its study of the Village's parking inventory in 2014, the Chicago Metropolitan Agency for Planning (CMAP) identified the periods of highest demand to be between 10am-2pm Monday through Friday during the school year ("Peak Periods").

The District is currently preparing final drawings to go out to bid with the first set of bid packages due as early as February 15, 2017 with a response from potential bidders due by March 13. This initial bid package includes the foundation changes and design adjustment based on the size of the deck requiring quick decisions or the Village may assume additional alternate bid design expenses.

Unmet Parking Demand in CBD - CMAP Findings

In September 2014, CMAP issued a report to the Village that identified mechanisms to manage the Village's existing parking inventory. CMAP was directed to look at managing the existing parking inventory and develop a parking management plan to make it easier for customers to find convenient parking close to their shopping destination.

Reducing the downtown utilization during the Peak Periods from 100% of capacity of the 476 metered spaces to a goal of 85%-90% parking occupancy would mean that most drivers could easily find a parking space. To reduce the utilization from 100% to 90% or 85% (85% is considered ideal for parking occupancy) would require an additional 47-71 spaces. It is proposed that by moving merchants and employees to a free lot with this minimum capacity would make available the recommended on street spaces as recommended by CMAP. This is identified as footnote 1 in the attached tables. Of course, to the extent that the Village's parking capacity is at 100% during Peak Periods, it is difficult, if not impossible, to know precisely how many drivers could not find a parking space during Peak Periods. In other words, we have no way of measuring with any degree of precision how many additional spaces will actually be needed to bring us to the 85% to 90% utilization during Peak Periods.



MEMORANDUM

In an effort to try and determine what capacity the Village should invest in to build a parking deck, staff referred to the CMAP report referenced above and set a target to identify a solution that provided for enough additional parking spaces to reduce parking occupancy from 100%, assuming that there are few drivers who simply leave the CBD without finding a parking space – down to 85%. Lindsey Bailey of CMAP agrees with these assumptions.

The Village also engaged the services of Eric Russell a traffic engineer from KLOA, a parking consultant firm. KLOA provided traffic studies for District 181 so he is familiar with the characteristics unique to Hinsdale and regularly performs this type of analysis. After having reviewed the existing inventory, the CMAP study and current retail and office vacancies in the CBD, Mr. Russell validated the CMAP recommendation that a 15% reduction in use of the on street meters would yield an appropriate amount of vacancies to make on street parking available during Peak Periods.

Staff also requested that Mr. Russell provide future growth projections. Mr. Russell applying industry standards to data supplied from 1) Choose DuPage (collects information county wide on vacancy rates that includes Hinsdale and 2) Visual observation by a Community Service Officer (CSO) performed on Friday, January 27 during the Peak Periods made a recommendation of the needed additional parking to accommodate potential new growth in the CBD.

While industry standards provide for future growth at a larger number than is included in the tables below, Staff, after having reviewed the proposed additional demand provided by Mr. Russell and applying it to its known vacancies that would provide the greatest stress on the parking inventory adjusted that number approximately 50%. The methodology is outlined in Footnote 2.

The rationale to adjust the projected demand is based on knowing there are two properties 101 S. Washington (Gap Building) and 36 East Hinsdale (Verizon/former Toy Store) which are 7,200 sq. ft. and 11,500 sq. ft. (combined totaling 18,700 sq. ft.) of the total 22,400 sq.ft. of current vacant retail space. Based on past experience when these properties were fully leased and after soliciting feedback from the Executive Director of the Hinsdale Chamber of Commerce, staff felt it appropriate to make this adjustment. Additionally, any new movement in the CBD will more than likely be replaced with similar uses with similar intensity of their use and its corresponding impact on the parking.

The table below identifies the combined parking targets discussed above:

	85% Parking Occupancy	90% Parking Occupancy
CMAP Target	71	47
Projected growth – restaurant use (Tables 1 and 2)	72	72
Target	143	113

	85% Parking Occupancy	90% Parking Occupancy
CMAP Target	71	47
Projected growth – retail use (tables 1A and 2A)	42	42
Target	113	89

Impact of New Middle School on Parking

The new location of the Middle School will pose additional challenges for an already taxed parking inventory. The new site will eliminate 50 spaces in the Washington Lot. Village staff has identified additional potential gains to the parking inventory that when totaled, results in a net increase of 17 spaces. The locations are identified in Footnote 4 to the Parking Deck Options.

Discussion of Deck Options to Meet Unmet Parking Demand

The challenge for the Village is to determine the right size deck based upon current and projected future parking demand during the Peak Period.

The Village was provided two options by the District 181 architect for its consideration. The projected growth in demand for parking is identified in the attached tables.

Attachment 1 is identified as Parking Deck Option1 and focuses primarily on restaurant use while Attachment 1A focuses on retail use. The two are separated as restaurant use as defined in Footnote 2 has a higher intensity use than retail.

Attachment 2 is identified as parking Deck Option 2 and focuses primarily on restaurant use while 2A focuses on retail use in the same manner as noted above.

The following table summarizes the options for the highest intensity use (restaurant shown on attachments 1 and 2 at the two key utilization points of 85% and 90%):

Option	Occupancy	Cost	Annual Debt Service	Cost per space	Number of spaces in structure	Demand	Proposed Supply	Surplus/ Shortage
Option 1 Restaurant Use	85%	\$4.5m	\$320,000	23,810	189	619	682	63
Option 1 Restaurant Use	90%	\$4.5m	\$320,000	23,810	189	596	682	86
Option 2 Restaurant Use	85%	\$2.83m	\$200,000	23,983	118	616	611	(5)
Option 2 Restaurant Use	90%	\$2.83m	\$200,000	23,983	118	596	611	15

[NOTE: Industry Standards estimate that the average cost per space is \$30,000 when building a parking structure]

CONCLUSION

In determining Staff's recommendation, Staff reviewed the CMAP study and recommendations, current available parking during the Peak Periods, the Choose DuPage report showing office and retail vacancies in the CBD, and Staff's own inventory of vacant first floor retail businesses in areas of the CBD that could impact future demand.

The goal of the CMAP study was to achieve a parking occupancy rate between 85%-90% during the peak demand time of 10:00 a.m. to 2:00 p.m. Monday through Friday. As stated above, an 85% to 90% occupancy parking level assures that shoppers can readily find a parking space in close proximity to their destination and shoppers will not become frustrated or decide to leave based upon parking availability. To achieve this goal the Village needs an additional 48 to 71 spaces.

In order to address future parking demand Staff reviewed current vacancies in the CBD and identified two properties that would pose the greatest challenge at 101 S. Washington and 36 E. Hinsdale. Using the highest intensity use of a restaurant would necessitate an additional 66 spaces at the 85% level or 35 at the 90% level.

Combining the CMAP occupancy goal (occupancy of 85% to 90% during peak periods and the future projections), it is estimated that the Village would require an additional 106 spaces at 85% and 83 at 90%.

Parking Option 2 provides the required parking at spaces at the 90% level but is short 5 spaces at the 85% utilization. However, Option 1, at a much higher expense, would exceed the demand significantly and would impact the operating budget by \$320,000 annually.

Based on the cost of Option 1, and given the data available, at this time from CMAP and vacancy data, Staff recommends that the Village Board approve designing Option 2 as its parking deck solution.

Attachment 1

Parking Deck Option 1

Occupancy of Vacant Retail Space with Restaurant Uses

CMAP Downtown Parking Scenario 1			
	85% Parking Occupancy		
	Parking Demand	Proposed Parking Supply	Surplus/(Shortage)
Current Downtown Core Conditions	476	476	
Relocation of Current Employees from Downtown Core ¹	71	-	
Occupancy of Vacant Office & Retail Space in Core ²	72	-	
Public Parking in Parking Deck ³	-	189	
Other Nearby Parking Inventory Made Available for Public Use ⁴	-	17	
TOTAL	619	682	63
CMAP Downtown Parking Scenario 2			
	90% Parking Occupancy		
	Parking Demand	Proposed Parking Supply	Surplus/(Shortage)
Current Downtown Core Conditions	476	476	
Relocation of Current Employees from Downtown Core ¹	48	-	
Occupancy of Vacant Office & Retail Space in Core ²	72	-	
Public Parking in Parking Deck ³	-	189	
Other Nearby Parking Inventory Made Available for Public Use ⁴	-	17	
TOTAL	596	682	86

¹ Reflects relocation of employees from public streets and lots into the new parking deck.
² Includes occupancy of 50% of the 22,400 square feet of vacant retail space in downtown core (or 11,200 sf) with quality restaurant uses plus occupancy of 100% of the 4,600 square feet of vacant office space. Quality restaurants are described as full-service eating establishments with waiter/waitress service that are not typically part of a chain, may require reservations, and may or may not offer breakfast. Based on Average Peak Period Parking Demand Ratios and Time-of-Day distributions from *Parking Generation* (4th Edition) published by the Institute of Transportation Engineers.
³ During weekday midday peak hours. Represents parking spaces in lower level of deck and non-HMS spaces on upper level of deck (Parking Deck Option 1).
⁴ Includes Second Street alley (14 spaces), surplus parking in upper level of deck (28 spaces) & 3rd Street from Garfield-Lincoln (25 spaces) less loss of Washington shopper parking (50 spaces).

Attachment 1 A

Parking Deck Option 1

Occupancy of Vacant Retail Space with Retail Uses

CMAP Downtown Parking Scenario 1		85% Parking Occupancy		
	Parking Demand	Proposed Parking Supply	Surplus/(Shortage)	
Current Downtown Core Conditions	476	476		
Relocation of Current Employees from Downtown Core ¹	71	-		
Occupancy of Vacant Office & Retail Space in Core ²	42	-		
Public Parking in Parking Deck ³	-	189		
Other Nearby Parking Inventory Made Available for Public Use ⁴	-	17		
TOTAL	589	682		93

CMAP Downtown Parking Scenario 2		90% Parking Occupancy		
	Parking Demand	Proposed Parking Supply	Surplus/(Shortage)	
Current Downtown Core Conditions	476	476		
Relocation of Current Employees from Downtown Core ¹	48	-		
Occupancy of Vacant Office & Retail Space in Core ²	42	-		
Public Parking in Parking Deck ³	-	189		
Other Nearby Parking Inventory Made Available for Public Use ⁴	-	17		
TOTAL	566	682		116

¹ Reflects relocation of employees from public streets and lots into the new parking deck.
² Includes occupancy of 50% of the 22,400 square feet of vacant retail space in downtown core (or 11,200 sq) with retail uses plus occupancy of 100% of the 4,600 square feet of vacant office space. Based on Average Peak Period Parking Demand Ratios and Time-of-Day distributions for shopping establishments from *Parking Generation* (4th Edition) published by the Institute of Transportation Engineers.
³ During weekday midday peak hours. Represents parking spaces in lower level of deck and non-HMS spaces on upper level of deck (Parking Deck Option 1).
⁴ Includes Second Street alley (14 spaces), surplus parking in upper level of deck (28 spaces) & 3rd Street from Garfield-Lincoln (25 spaces) less loss of Washington shopper parking (50 spaces).

Attachment 2

Parking Deck Option 2 Occupancy of Vacant Retail Space with Restaurant Uses

CMAP Downtown Parking Scenario 1		85% Parking Occupancy		
	Parking Demand	Proposed Parking Supply	Surplus/(Shortage)	
Current Downtown Core Conditions	476	476		
Relocation of Current Employees from Downtown Core ¹	71	-		
Occupancy of Vacant Office & Retail Space in Core ²	72	-		
Public Parking in Parking Deck ³	-	118		
Other Nearby Parking Inventory Made Available for Public Use ⁴	-	17		
TOTAL	616	611		(5)
CMAP Downtown Parking Scenario 2		90% Parking Occupancy		
	Parking Demand	Proposed Parking Supply	Surplus/(Shortage)	
Current Downtown Core Conditions	476	476		
Relocation of Current Employees from Downtown Core ¹	48	-		
Occupancy of Vacant Office & Retail Space in Core ²	72	-		
Public Parking in Parking Deck ³	-	118		
Other Nearby Parking Inventory Made Available for Public Use ⁴	-	17		
TOTAL	596	611		15

¹ Reflects relocation of employees from public streets and lots into the new parking deck.
² Includes occupancy of 50% of the 22,400 square feet of vacant retail space in downtown core (or 11,200 sf) with quality restaurant uses plus occupancy of 100% of the 4,600 square feet of vacant office space. Quality restaurants are described as full-service eating establishments with waiter/waitress service that are not typically part of a chain, may require reservations, and may or may not offer breakfast. Based on Average Peak Period Parking Demand Ratios and Time-of-Day distributions from *Parking Generation* (4th Edition) published by the Institute of Transportation Engineers.
³ During weekday midday peak hours. Represents parking spaces in lower level of deck and non-HIMS spaces on upper level of deck (Parking Deck Option 2).
⁴ Includes Second Street alley (14 spaces), surplus parking in upper level of deck (28 spaces) & 3rd Street from Garfield-Lincoln (25 spaces) less loss of Washington shopper parking (50 spaces).

Parking Deck Option 2

Occupancy of Vacant Retail Space with Retail Uses

CMAP Downtown Parking Scenario 1		85% Parking Occupancy		
	Parking Demand	Proposed Parking Supply	Surplus/(Shortage)	
Current Downtown Core Conditions	476	476		
Relocation of Current Employees from Downtown Core ¹	71	-		
Occupancy of Vacant Office & Retail Space in Core ²	42	-		
Public Parking in Parking Deck ³	-	118		
Other Nearby Parking Inventory Made Available for Public Use ⁴	-	17		
TOTAL	589	611		22
CMAP Downtown Parking Scenario 2		90% Parking Occupancy		
	Parking Demand	Proposed Parking Supply	Surplus/(Shortage)	
Current Downtown Core Conditions	476	476		
Relocation of Current Employees from Downtown Core ¹	48	-		
Occupancy of Vacant Office & Retail Space in Core ²	42	-		
Public Parking in Parking Deck ³	-	118		
Other Nearby Parking Inventory Made Available for Public Use ⁴	-	17		
TOTAL	566	611		45

¹ Reflects relocation of employees from public streets and lots into the new parking deck.
² Includes occupancy of 50% of the 22,400 square feet of vacant retail space in downtown core (or 11,200 sf) with retail uses plus occupancy of 100% of the 4,600 square feet of vacant office space. Based on Average Peak Period Parking Demand Ratios and Time-of-Day distributions for shopping establishments from *Parking Generation* (4th Edition) published by the Institute of Transportation Engineers.
³ During weekday midday peak hours. Represents parking spaces in lower level of deck and non-HMS spaces on upper level of deck (Parking Deck Option 2).
⁴ Includes Second Street alley (14 spaces), surplus parking in upper level of deck (28 spaces) & 3rd Street from Garfield-Lincoln (25 spaces) less loss of Washington shopper parking (50 spaces).