Memorandum



DATE May 2, 2025

TO Honorable Mayor and Members of the City Council

Parking Reform Development Code Amendment – Additional Information after the April 7, 2025, Economic Development Committee

On April 7, 2025, the City Plan Commission recommendation for the Parking Reform Development Code Amendment was briefed at the Economic Development Committee. This memo provides answers to some questions raised at that committee meeting and afterward.

What is the relationship between parking reform and parking management? What are our options to manage parking on public streets?

The proposed parking reform code amendments are only applicable to off-street parking provided on private property. The proposed code amendments do not regulate or change the on-street parking policies or the City's purview over public rights-of-way.

On-street parking and right-of-way are managed by the Department of Transportation and Public Works (TPW). The City's <u>On-Street Parking Curb Management Policy</u> was adopted by City Council in May 2024, and outlines a toolbox for management of curb parking on city streets, including metered parking, residential parking permits, and parking benefit districts.

Are there Dallas-based studies that demonstrate the underuse of existing parking?

Yes. The charts below show a selection of results from parking studies submitted with rezoning or Board of Adjustment cases in recent years:

Retail uses:

| Address | 4101 Ross | 3819 Ross | 4202 Ross |
|------------------|-----------|-----------|-----------|
| Observation Date | Feb 2020 | Feb 2020 | Feb 2020 |
| Parking Supply | 35 | 26 | 59 |
| Max Peak | 85% | 77% | 20% |

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Restaurant uses:

| | Cremona Las Palmas S&D Oyster Car | | Café Brazil | | |
|------------------|-----------------------------------|------------|------------------|-----------------------|--|
| Address | 2704 Worthington | 2708 Routh | 2701 McKinney | 3851 Cedar Springs | |
| Observation Date | June 2022 | June 2022 | June 2022 | June 2022 | |
| Parking Supply | 32 | 31 | 47 | 80 | |
| Max Peak | 81% | 84% | 92% | 91% | |

Multifamily uses:

| Address | CEDAR MAPLE | THE DOUGLAS | LEE PARKWAY | GRANITE PARK III |
|------------------|----------------|----------------|----------------|---------------------|
| Observation Date | 2018 | 2018 | 2018 | 2018 |
| Parking Supply | 291 | 535 | 736 | 1,269 |
| Max Peak | 54% | 83% | 94% | 63% |

In 2020, during the work with the Zoning Ordinance Advisory Committee for the Parking Reform, staff researched and presented reports on selected parking studies and case studies to showcase local, regional, and national trends and data. The staff reports and meeting videos are posted on the project website. Specific reports of interest include:

- 2020, September 3: Parking Studies Local and National part 1
- 2020, September 3: Parking Studies Local and National part 2
- 2020, November 5: Case Studies

In addition, The North Central Texas Council of Governments (NCTCOG) supports Parking Management through plans, studies, and data collection that can help North Texas achieve a more efficient transportation system and a more sustainable region. The NCTCOG website contains relevant parking studies for Dallas and the region.

Some relevant selected studies:

2023: Deep Ellum Parking Study

2019: Dallas Midtown Autonomous Transportation System and Shared Parking Feasibility Study - Section 2

2019: TOD Parking Study

2019: Granite Properties - Office Parking

2016: Preston Center Parking Study Memo

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For multifamily projects that have utilized the Mixed-Income Housing Development Bonus parking reduction, how much parking was actually produced?

City code includes a reduction to parking spaces per unit among the bonuses offered in exchange of providing affordable housing. The current parking bonus is a reduced ratio of minimum ½ space per unit required. This bonus was adopted by City Council in May 2022. Before this bonus was included in the code, parking reductions were included in various Planned Development bonuses for such developments.

From 2019 to present, out of 68 developments utilizing the Mixed Income Housing provisions, 41 took advantage of the parking reduction bonus, some in combination with other bonuses available, or included reduced parking ratios in their PDs. Of the 41, 22 of these developments have completed construction.

The chart and table below show the actual parking provided for the 22 completed developments. Almost all projects delivered more parking than was required under the reduced ratio of ½ space per unit:



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| Apartment Complex | Council District | Dwelling Units | Affordable Units | Ratio of Parking Provided | Provided Parking | Required Parking | Surplus |
|------------------------|---------------------|-------------------|---------------------|---------------------------------|---------------------|---------------------|---------|
| The Alton | 14 | 293 | 12 | 1.7 | 501 | 413 | 88 |
| Aster Uptown | 14 | 270 | 9 | 1.5 | 418 | 401 | 17 |
| Ridge at Lancaster | 8 | 300 | 15 | 1.8 | 551 | 450 | 101 |
| Capitol Flats | 2 | 60 | 3 | 1.2 | 74 | 74 | 0 |
| Meadowbrook | 8 | 180 | 27 | 1.5 | 261 | 225 | 36 |
| Maple Highline II | 2 | 74 | 4 | 1.0 | 71 | 36 | 35 |
| Modera Trailhead | 2 | 285 | 26 | 1.8 | 524 | 436 | 88 |
| Palladium Redbird | 8 | 300 | 15 | 1.5 | 462 | 375 | 87 |
| Gateway Oak Cliff | 1 | 230 | 14 | 1.4 | 318 | 288 | 30 |
| Alexan Arts III | 2 | 286 | 46 | 2.4 | 692 | 483 | 209 |
| The Terrace | 4 | 300 | 15 | 1.7 | 497 | 375 | 122 |
| Kiva East | 2 | 87 | 5 | 1.3 | 110 | 106 | 4 |
| Conor Live Oak | 2 | 327 | 0 | 1.3 | 431 | 164 | 267 |
| Jaipur Lofts | 2 | 71 | 7 | 1.1 | 80 | 36 | 44 |
| Elihu Lofts | 7 | 5 | 0 | 2.2 | 11 | 11 | 0 |
| Ewing & Morrell | 4 | 40 | 2 | 0.7 | 29 | 23 | 6 |
| The Finch | 4 | 153 | 8 | 1.1 | 161 | 96 | 65 |
| Bonton Farms | 7 | 18 | 6 | 0.3 | 6 | 6 | 0 |
| Cypress Creek Apts. | 11 | 168 | 17 | 1.4 | 238 | 84 | 154 |
| St Jude Center | 10 | 136 | 14 | 0.8 | 107 | 68 | 39 |
| E 9th Street Apts. | 1 | 32 | 0 | 0.8 | 26 | 18 | 8 |
| Santa Fe Trail | 2 | 92 | 5 | 1.0 | 91 | 46 | 45 |

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If Parking Reform is adopted, can the Council make additional changes in the future?

Parking Reform is an amendment to the Dallas Development Code. City Council has the authority to adopt amendments to the development code, following the process outlined in the code. For instance, the parking regulations and ratios have been amended by the City Council at least 15 times through various ordinances since 1989, with the last comprehensive amendment of the parking regulations in 2012.

If more restrictive parking ratios are adopted in the future, the existing buildings and properties will be able to use the nonconformity as to parking and loading provisions in the development code, and the delta theory will apply.

Please explain Delta Theory as related to Parking Reform?

The Development Code has provisions for <u>nonconformity as to parking and loading</u> and delta theory that helps the transition from less restrictive to more restrictive parking ratios.

Delta applies to buildings previously occupied by uses that were required to provide less parking than the current or potential use.

When a use is converted to a new use having a lesser parking or loading requirement, the rights to any portion of the nonconforming parking or loading that are not needed to meet the new requirements are lost.

What other cities have implemented parking reform, and how has that change worked for them?

To date, 351 cities in United States have adopted advanced parking reforms with significant reduction to their parking ratios, either citywide and/or in TOD areas, with 83 cities fully eliminating parking ratios from their development or zoning codes.

The Parking Reform Network contains a comprehensive list and map with all cities with a variation of parking reform or full elimination of parking ratios.

A summary of discussions with corresponding planning departments from these cities and other research revealed the overview below.

- <u>Nashville</u>. Nashville eliminated parking minimums downtown more than a decade ago and replaced parking minimums with maximums within the <u>Urban Zoning Overlay (UZO)</u> in 2023 that covers the old-city section of the city. The maximum parking ratios have a low ceiling, thus there are instances where developments may need more parking, typically small multifamily. Such cases go through various public hearing processes to be able to provide more parking than the cap.
- San Jose. In 2019, San Jose was one of 25 cities that participated in the Bloomberg Philanthropies American Cities Climate Challenge. Parking reform was one of the actions in the challenge. After 3 years of evaluating policy alternatives and engaging with residents and developers, San Jose became the largest

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American city to eliminate its parking minimum requirements for new development projects citywide. Additionally, San Jose determined that it was not yet ready to impose parking maximums; instead, it established a citywide transportation demand management program (TDM) for new development projects. The TDM program employs a 'soft-max' approach to managing parking - the higher the parking ratios proposed by a project, the more the TDM requirements the project must meet.

- Raleigh. The city eliminated parking minimums in 2022 citywide, and added parking maximums instead, for non-residential and multifamily uses. Studies show that while there have been very few projects with absolutely no parking, the city has seen examples of small-scale developments with minimal parking, such as small duplexes and a co-living concept. So far, the new developments continue to provide similar levels of parking as before the reform.
- <u>Vancouver</u>. The city eliminated all parking minimums citywide in 2024 as one of the key strategies taken to speed up the development process and build more homes faster. This reform is assessed as smart change that will have a direct influence particularly on the affordability of non-market housing for low to middleincome families.
- <u>Seattle</u>. Seattle adopted a parking reform with partial elimination, significant reductions of parking ratios citywide, and parking maximums in selected areas.

<u>Source article</u>: "In Seattle, a [...] team of researchers collected data on 868 new multifamily buildings permitted from 2012 to 2017, accounting for over 60,000 new homes.

During the first five years after Seattle's reform, a total of 35,388 new homes in Seattle ended up benefiting from the freedom to not build excess parking. Today, those homes account for 9.4 percent of the city's entire housing stock.

Seattle researchers estimated that at \$30,000 per parking space, builders collectively saved \$537 million in expenses that would have been passed on to future tenants.

In Seattle, 70 percent of all new buildings continued to provide off-street parking for residents.

In Seattle, whose reforms were concentrated in the most urban parts of the city, new buildings provided 40 percent less parking than would have been required before the reform. While that sounds like a dramatic drop, the change merely right-sized parking to match existing demand. In fact, it was exactly in line with a separate 2012 study that had observed 40 percent of the parking spaces in King County, where Seattle is located, never get used."

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- <u>Austin.</u> In 2023, Austin became one of the largest cities to do away with parking minimums citywide. This move is part of a broader effort to address the city's housing affordability crisis. Their citywide elimination is too soon to study, but their "Affordability Unlocked" program (similar to Dallas's Mixed Income Housing Development Bonus) requiring no parking minimums resulted in only 25% less parking being built than the minimums at the time.
- Fort Worth. The city has a variety of parking provisions: mixed-use and form-based districts have a variety of parking reductions and there are no parking minimums for mixed-use or commercial uses unless the development is located within 250 feet of a single-family or two-family zoning district, in such cases the ratios are 75% of the standard. Residential components in these districts generally provide some parking regardless.

For properties in Mixed-Use zoning districts located within 1/4 mile of a rail transit station, parking minimums are reduced by 50%. Residential uses in these areas also benefit from additional reductions. Minimum parking requirements for residential uses are determined based on the type of residential development.

In recent years, there have been no cases presented to the Urban Design Commission requesting a parking waiver. Most applicants choose to provide more than the minimum parking required. In cases where only the minimum is provided, it's typically due to site constraints or other development standards.

- <u>Grand Prairie</u>. The city's parking regulations include areas with no minimum parking requirements and a requirement that all non-residential buildings citywide more than 30,000 square feet have parking maximums.
- Houston. In the past five years, the city has implemented several layers of parking reform: the downtown area and a Market-Based Parking Area with no minimum parking ratios, that was further expanded in 2019 to include areas that are a mix of multi-family, and small-lot townhomes with historic warehouses that would not be able to meet the parking minimums when redeveloped. The trends observed indicate that greenfield developments have still been providing significant parking (and even meeting the prior minimums) whereas historic adaptive re-use projects are providing less. The market has responded and new paid parking lots have been added to the area as well. It is also notable that City of Houston only implemented the first parking minimums in the 1990s, thus many structures constructed before that time period may not meet parking minimums and may be required to apply for parking variances to use their existing spaces.

In 2019, Houston adopted the Transit-Oriented Development ordinance, which also includes parking reductions based on distance to bus rapid transit/ light rail transit stations.

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The 2023 parking reform is based on recommendations that arose from the "Livable Places" initiative. These amendments are adjusting and right sizing the requirements based on housing types, with emphasis on full flexibility for smaller units and lots, infill housing, and middle housing.

• Minneapolis. The City of Minneapolis has incrementally worked on off-street parking reform for roughly 25 years, culminating in the complete elimination of minimum off-street parking mandates in 2021. Reducing and finally eliminating parking minimums has been one of the most important policies and regulatory changes that the city has adopted in the realm of land use and development. One benefit is that housing types have become feasible that previously would not have been feasible on smaller lots simply because it would not be possible. It has also made it easier to establish a wide range of businesses, including allowing new tenants in existing buildings that were constructed with little or no parking before the prevalence of automobiles.

If you have any questions, please contact me or Emily Liu, Director of Planning and Development, at yu.liu@dallas.gov.

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