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**KITSAP COUNTY CONSOLIDATED
HOUSING AUTHORITY**

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MAY 28 2002

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File - Parking

May 23, 2002

To: Darlene Kordonoy, Mayor
City of Bainbridge Island

Lynn Nordby, City Administrator
City of Bainbridge Island

FM: Roger Waid, Deputy Executive Director
Kitsap County Consolidated Housing Authority

Bill Isley, Architect, FAIA, AICP
Bainbridge Architect's Collaborative

RE: Parking LID Feasibility Study

Please find enclosed the final report of the **Parking LID Study** prepared by Anthony Gibbons of **RE-SOLVE**. The result of his study presents specific conclusions regarding the parking deficit in the downtown as well as the limitations of the business community to finance a new parking resource. As you will see in the survey the majority of business owners perceive the parking shortage as a major problem but do not have the collective financial or the vacant land resources to implement a solution.

Major conclusions:

The study underscores the need for a broader general benefit financing approach recognizing that Winslow is the Island's business, cultural and retail center. The goal of creating a pedestrian friendly dense commercial core area can only be implemented with financial support from the larger community. Only 12% of the proposed garage cost could be developed with a Special Benefit LID, and it is unlikely that sufficient support for an LID in the relatively small core special benefit area.

The Winslow study area is deficient 391 parking spaces for long-term use (page 6) however only 50 such stalls can be supported by a special benefit LID.

This parking deficiency can be dramatically reduced, potentially to 50 stalls by implementing a parking management plan including shared parking agreements with private properties.

The most critical parking deficiency is for short-term spaces (1 hour or less) in the Winslow Way core where parcel sizes and additional vacant land resources to support additional parking are non-existent. While this LID Study identifies this short-term deficiency, it does not consider in depth other potential financing solutions. Likewise, the study does not consider the direct effect on availability of short-term parking of providing long-term parking for employees and other such users in conjunction with aggressive short-term parking enforcement.

In summary, the Winslow core cannot expand or increase in density without a new conveniently located parking resource. Additionally, we cannot look to the local business community to provide the solution. KCCHA and the business community wish to continue working with the City leadership in support of the shared vision for Winslow. We trust this study gives us the background and supporting data to take the next step toward finding creative solutions. KCCHA's interest in the Town Center Project remains focused on the housing component and their ability to assist in creative financing.

COUNSELING REPORT

Concerning

**PARKING LID FEASIBILITY STUDY
Winslow
Bainbridge Island, Washington**

As of

May 13, 2002

Prepared

for

Roger Waid
Deputy Executive Director
Kitsap County Consolidated Housing Authority
Silverdale, WA

Prepared by

Anthony Gibbons, MAI, CRE
Marilynn Gottlieb, Researcher

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May 13, 2002

Roger Waid
Deputy Executive Director
Kitsap County Consolidated Housing Authority
9307 Bayshore Drive NW
Silverdale, WA 98383

RE: Winslow Parking LID Feasibility Study
Bainbridge Island, Washington

Dear Mr. Waid:

At your request, I have prepared the enclosed counseling report, which provides the results of our LID parking study for Winslow. The study evaluates current parking demand and supply in the central core of the business district, for the purposes of potentially establishing beneficial area boundaries for a proposed parking garage to be located on an existing city gravel parking lot, located midway between Madison and Erickson Avenues, and one block north of Winslow Way.

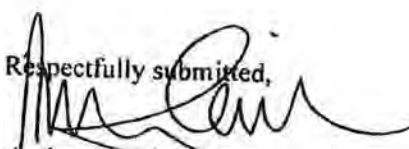
This study will be used to assess the feasibility and demand for the structure, as well as potential revenue sources from a possible LID.

Our study includes a survey of Winslow business, ground surveys of existing parking conditions (both supply and demand), calculation of surplus and deficit parking, and identification of potentially benefited property. The professional assistance of Marilyn Gottlieb, a researcher in our firm, is hereby acknowledged. Ms. Gottlieb provided significant professional assistance in the collection and compilation of survey data.

A detailed report of our findings is attached.

Thank you for this opportunity to be of service.

Respectfully submitted,


Anthony Gibbons, MAI, CRE

Ref: 2012

Certification & Limiting Conditions

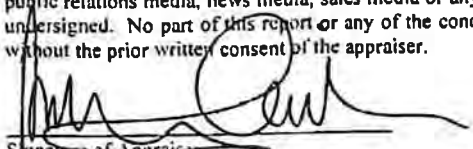
I certify that, to the best of my knowledge and belief:

- 1) I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.
- 2) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased, professional analyses, opinions, and conclusions.
- 3) The statements of fact contained in this report are true and correct.
- 4) My engagement in this assignment was not contingent upon developing or reporting predetermined results. My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the obtaining of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 5) This appraisal report sets forth all of the limiting conditions (imposed by the terms of my assignment or by the undersigned) affecting the analyses, opinions and conclusions contained in this report.
- 6) This appraisal report has been made in conformity with, and is subject to, the requirements of the Code of Professional Ethics & Standards of Professional Conduct of the Appraisal Institute.
- 7) I have made a personal inspection of the property that is the subject of this report, unless otherwise stated in the Letter of Transmittal.
- 8) No one provided significant professional assistance to the person signing this report, unless otherwise stated in the Letter of Transmittal.
- 9) The appraiser has made no survey of the property and assumes no responsibility in connection with such matters. Any sketch or identified survey of the property included in this report, is only for the purpose of assisting the reader to visualize the property.
- 10) It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures (including asbestos, soil contamination, or unknown environmental factors) that render it more or less valuable. No responsibility is assumed for such conditions or for arranging the studies that may be required to discover them.
- 11) Responsible ownership and competent management are assumed.
- 12) No responsibility is assumed for the legal description or for matters including legal or title considerations.
- 13) The information identified in this report as being furnished by others is believed to be reliable, but no warranty is given for its accuracy.
- 14) The appraiser is not required to give testimony or attendance in court by reason of this appraisal unless arrangements have previously been made therefor.
- 15) The allocation of total value to land, buildings, or any fractional part or interest as shown in this report, is invalidated if used separately in conjunction with any other appraisal.
- 16) The appraiser hereby certifies that the appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan, and that the appraiser was competent and qualified to perform the appraisal assignment.
- 17) I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by authorized representatives.
- 18) As of the date of this report, I have completed the requirements under the continuing education program of the Appraisal Institute.

RESTRICTION UPON DISCLOSURE & USE:

Disclosure of the contents of this appraisal report is governed by the By-Laws & Regulations of the Appraisal Institute.

Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser or the firm with which (s)he is connected, or any reference to the Appraisal Institute or to the MAI designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without the prior written consent and approval of the undersigned. No part of this report or any of the conclusions may be included in any offering statement, memorandum, prospectus or registration without the prior written consent of the appraiser.


Signature of Appraiser

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SUMMARY OF REPORT

SUMMARY OF REPORT

Project Area

A comprehensive parking local improvement district (LID) and feasibility study has been undertaken for the downtown Winslow Community. The study neighborhood includes the core business district of Winslow, which is essentially centered along Winslow Way. Boundaries of the neighborhood are difficult to define with precision, but typically the downtown area includes businesses located along Madison and Ericksen Avenues, and extends south to Parfitt Way and Bjune Drive, and north to Wyatt Way.

Our study is focused on tax lots 262502-3-057-20 and 262502-3-133-20, which is the selected site for development of a parking facility. The site lies midway between Madison and Ericksen, and about 200' north of the approximate "100% location" of the CBD, which is considered to be in the vicinity of Winslow Mall.

Purpose of Study

This purpose of the study is to assess the potential demand for a new parking facility at the location identified. We have also identified the potential special benefit that might be received assuming an LID was approved for the neighborhood. This limited appraisal study is preliminary and is subject to verification through a formal and complete appraisal process developed specifically for the purposes of measuring special benefit value.

Project Description

The proposed garage facility is to be located on a 26,800sf gravel site, presently used as part of the Chamber's parking program, and striped for approximately 48 stalls. The garage will be of 3-stories, and will accommodate the grade here with one daylight basement-level, with grade entry from the south, and one second-level, with grade entry from the north. There will be one floor of parking above this, and above this still will be 50-units of affordable housing.

The parking garage is proposed to have a total of 310 Stalls, of which 50 will be assigned to the residential units, and 110 will be assigned to City Hall and the Arts Center. The balance of the parking (150 stalls) will be available for the market at large. Of that total, 30 are intended for new development, and 120 are intended for the business community at large. That built for City Hall, the Arts Center and the new residential units is regarded as being self-serving. The existing parking on the site, which includes 26 public stalls and 22 City Hall stalls, will of course be displaced.

The project for which Special Benefits are to be measured is provision of additional parking for use by the business community at large. Note that this study does not address any benefit from provision of parking for new development, as typically that is not normally funded through an LID. Thus the benefit to be

measured comes from provision of 120 stalls, this a net addition of 94 stalls, as 26 general public stalls will be lost with the construction of the garage¹.

Study Highlights

Highlights of the study include the following findings:

Neighborhood Boundaries & Parking Inventory

- The primarily special benefit boundary lies within 400' of the garage, and largely includes the Winslow Core. This is termed the red zone. At least 50% of the overall demand for the garage will come directly from users in this zone
- An area of secondary benefit termed the yellow zone lies 400-800' of the garage. 25% of the overall demand for the garage will come directly from users in this zone.
- Within the surveyed area, there are a total of approximately 1,322 stalls of private parking, and an additional 182 stalls of public parking. The private parking total includes 26 stalls of Chamber Parking on the subject site.

Survey Results

- Only 6% of businesses in the Red Zone think parking is adequate. 25% would be willing to subsidize employee parking and 31% would subsidize customer parking.
- Only 36% of businesses in the Yellow Zone think parking is adequate. 23% would be willing to subsidize employee parking and 36% would subsidize customer parking.
- 69% of businesses in the Red Zone subscribe to the Chamber Parking program, while only 32% uses this service in the Yellow Zone. The Chamber Parking Program provides for a very effective utilization of the available parking resource.
- The business community and property owners presently show little interest in acquiring stalls in the garage for permanent long-term use. Typically such interest is only stimulated when the parking is actually available, and firm pricing options are proposed.
- On average parking is close to capacity in the Red Zone (65% average occupancy²) and more tolerable in the Yellow Zone (57%). More importantly, short-term parking occupancy is likely above capacity. Winslow Way Street parking is over-subscribed in both the Red Zone (85%) and Yellow Zone (Winslow Way, 88%).
- Short-term convenience parking users in Winslow show an extremely low tolerance for walking to and from parking particularly for non line-of-site parking; and for paid parking. This is illustrated by the low demand for parking in the Doogals lot, which had less than 2% occupancy even during times of peak demand.

Parking Level and Deficit

- In terms of optimal parking levels, the Red Zone shows seven ownerships with a total parking deficit of 140 stalls, while the Yellow Zone has 10 properties with a total parking deficit of 251 stalls.

¹ An additional 22 stalls on the lot will also be lost, but this will be replaced by 80 new stalls in the garage that are intended for city staff.

² Occupancies in the Red Zone have been adjusted for the temporary closure of the Gym.

- The parking deficit in the Red Zone is generally concentrated amongst Winslow Way businesses. For some uses, such as the BPA and certain restaurants, the parking deficit is in the form of peak demands that are complimentary with other office uses and some retail uses. Thus these uses benefit from shared parking, thus helping mitigate the observed deficits.
- The Yellow Zone's parking deficit is concentrated at the Pavilion, which represents 75% of the deficit in the zone. However the Pavilion peak parking demand is often complimentary with the weekday and daytime parking demands of neighboring businesses. Thriftway has a significant parking surplus, and essentially "lends" this parking to the shopping district and trespassing ferry commuters.

The Project

- The Garage proposal calls for development of 120 stalls for the business community, and 30 stalls for new development. This is in addition to 80 stalls for City Hall, 30 for a new Arts Center, and 50 for residential units atop the garage. The cost per stall is projected at \$18,000, for a total cost of \$5.58m. The 150 stalls for the business community and new development, which is the focus of this study, have a pro-rata cost of \$2.7m. The development of the garage will displace 48 stalls, 26 of which are used by the business community, and 22 by City Hall. The net stall addition to the community is then 124 stalls.

Special Benefits

- The potential special benefit to be realized from the net addition of stalls is approximately \$250,000, or about \$3,300 per benefited stall for the Red Zone. The special benefit accrued by property in the Yellow Zone is about \$15,000 or about \$251 per benefited stall.
- The Special Benefit study reveals LID revenue coverage of 12% of the total LID cost. The benefit was calculated for property with a total gross parking deficit of some 137 stalls, but this total was effectively reduced (i.e. not all of this demand would be satisfied by the garage) to something less than an equivalent 25 stalls actually at the garage property.
- General Benefits of the garage construction will accrue to the larger community, and Winslow in general, as pressure is taken off existing sources of public and private parking. However these have not been specifically measured here in accordance with proper LID guidelines for Special Benefit measurement.

Recommendations & Findings

- Allowing for availability and peak demand issues suggests that a net supply of 50 or so stalls would be more than sufficient to provide the special benefit generated. Under this circumstance, and assuming provision of 76 stalls for a net supply of 50, the LID would represent 19% of the cost of the garage.
- The intention to supply City Hall with 80 stalls (a net addition of 58 stalls) would seem more than sufficient for this need due to City Hall's ability to share parking with BPA. Excess parking here, if available for public use, would further reduce the need for additional business parking.
- Further study is recommended on City Hall and BPA parking requirements, in conjunction with those of the new Arts Center – which may also allow for reduced parking demands due to complimentary peak demands.

- Financing of the Parking Garage through an LID is probably not practical. Alternative funding sources (municipal bonds, parking penalties, parking fees, metered parking, parking mitigation).
- Probably the largest impediment to the LID would be getting the approval of property owners representing 60% of the total assessment.

Conclusion

Our study has determined that while there are spot locations and specific time periods of parking deficit, these are not broad or deep enough to justify development of 150 general public parking stalls at the subject location. Our survey suggests an overall parking deficit of 391 stalls, but this is unevenly distributed, and on occasion is mitigated by shared parking. Properties representing a total parking deficit of some 137 stalls would probably gain some special benefit from the new supply.

However the vast majority of the unmet demand is in the form of short-term, convenience parking, whereas the parking facility will primarily increase the supply of day-parking.

The potential increase in property value to be enjoyed as a result of the provision of additional stalls is significant, but not enough to create special benefit sufficient to support any more than a small percentage of the cost of the parking facility. In addition, and obviously related to our findings, our survey of businesses in the area suggests insufficient interest in an LID exists to meet the minimum 60% approval required under state LID formation requirements, for the project as proposed. A downscaled version with a net supply of 50-stalls (50 plus the 26 that will be displaced by the garage, for a total of 76) would likely have a higher approval rating, but the actual special benefit enjoyed would still just represent a small proportion (about 18%) of the projected cost of constructing the additional parking.

There are obvious **General Benefits** associated with the development of the garage, as additional parking is needed within the study area. However **General Benefits** are by definition shared by the entire neighborhood, and thus need to be excluded from a special benefit calculation. Thus, for example, the long term contribution that additional parking will make to the core, including the potential for business expansion, and possible institution of an in-lieu parking problem, are determined to be speculative for a particular property and/or a **General Benefit** that can be enjoyed by the downtown community as a whole, and sometime in the future.

The parking deficit noted is significant and is properly termed a parking problem. Some of it can probably be alleviated through more effective management of the existing parking resource. In addition, part of the parking problem relates to the level of short-term convenience parking, rather than parking per se. Hence the nominal special benefit created by the introduction of additional parking supply off-site. Examples and advice on such management are provided herein, and include:

- More effective and punitive parking enforcement to prevent intrusion of ferry parking into the CBD;
- Exploration of deriving additional parking on existing lots through more efficient land-use and striping;

- Graduated time limits for existing parking stalls in areas proximate to the 100% CBD location, as well as other strategic locations (for example 10 or 15 minute zones similar to those found in other vibrant downtown shopping districts – e.g. Cannon Beach, OR, and Carmel, CA.);
- Metered parking

Should the decision be made to proceed with the project, with or without a proposed LID, we recommend a net addition of no more than 50 stalls for the business community (i.e. 50 plus 26 on site for a net addition of 76). Stalls for new development should be determined through separate analysis and interviews with potential developers. We also recommend re-examining the need for as much as 80 new stalls (a net addition of 58 stalls) for City Hall.

In addition, alternative-funding sources (other than an LID) should be considered. These include:

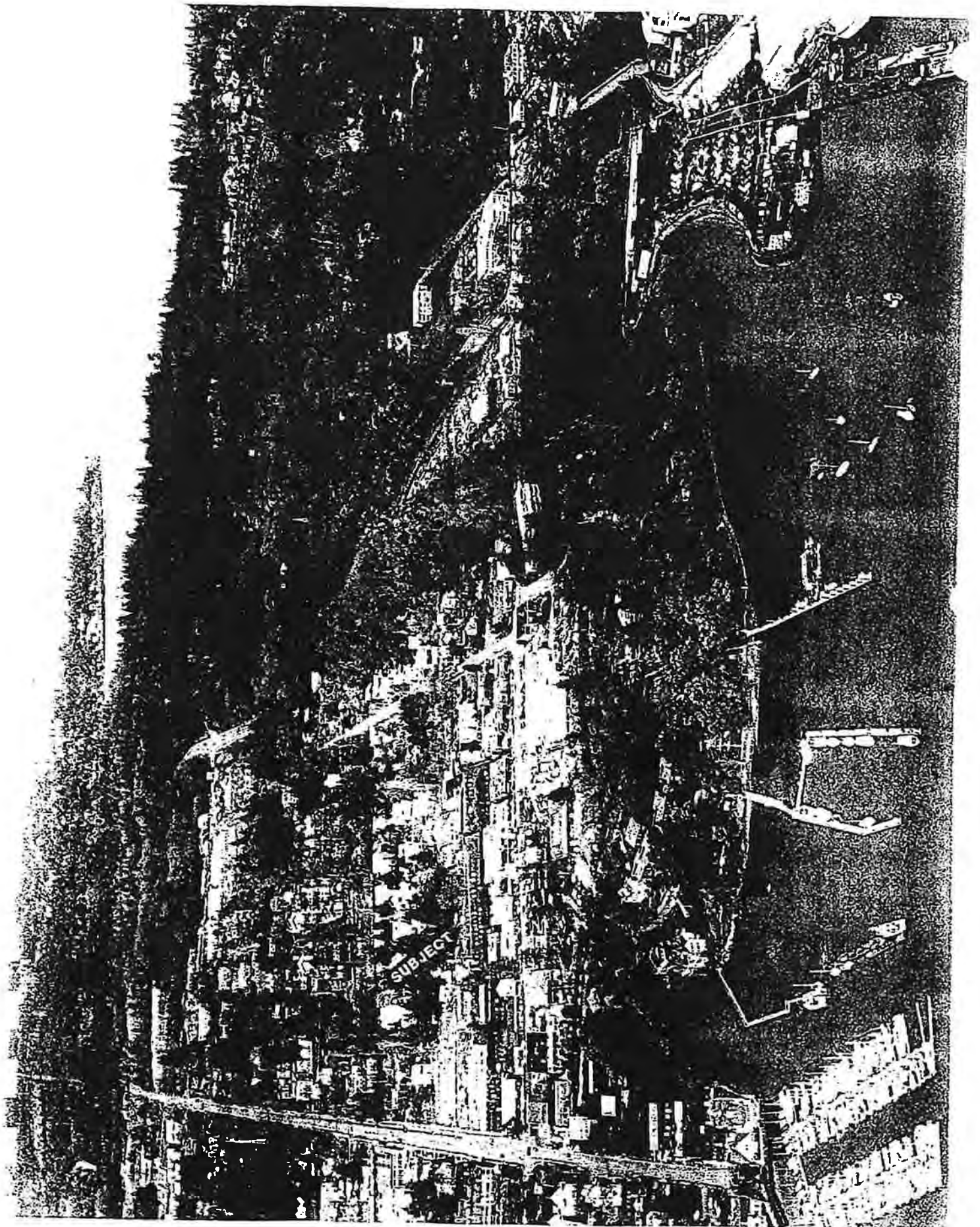
- Prospective revenue obtained from instituting parking penalties.
- Prospective revenue from the installation of a metered parking system, or parking permits.
- Pay parking at the garage (a quarter to a third of all Team Winslow Businesses have indicated a willingness to provide some parking subsidy).
- Development fees designed to mitigate the burden on the public parking infrastructure by virtue of the development of a new project. Note that this program would still assume compliance with off-street parking code requirements, and is different from the in-lieu parking program mentioned below.

Parking meter revenue and parking enforcement penalties could be instituted immediately, as could graduated time limits for parking. The city might consider allowing contribution into a parking fund by developers of new projects, in lieu of providing some required parking on site. This program should only be instituted subsequent to the development of a garage; otherwise the program would exacerbate the current situation on an interim basis. In addition the city would need to "front" the stalls in terms of development cost (which would be in addition to the 50 stalls mentioned above), and then speculate on the ultimate demand and achievable pricing for the stalls at some future date. Further study should be made of this potential source of parking demand.

Date of Report

The effective date of this report is May 13, 2002. The report was prepared January through May of 2002.

NEIGHBORHOOD PHOTOGRAPHS





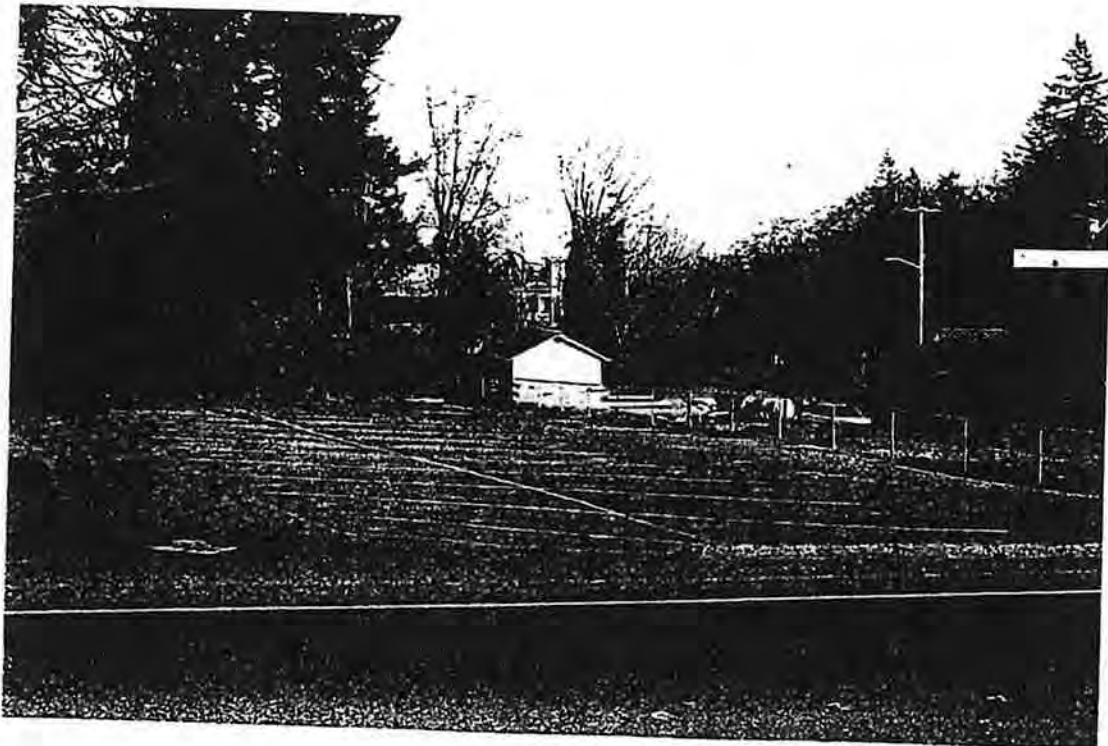
Location of proposed parking facility. This is the present location of the Chamber's parking program, and thus stalls here will need to be replaced in the new structure.



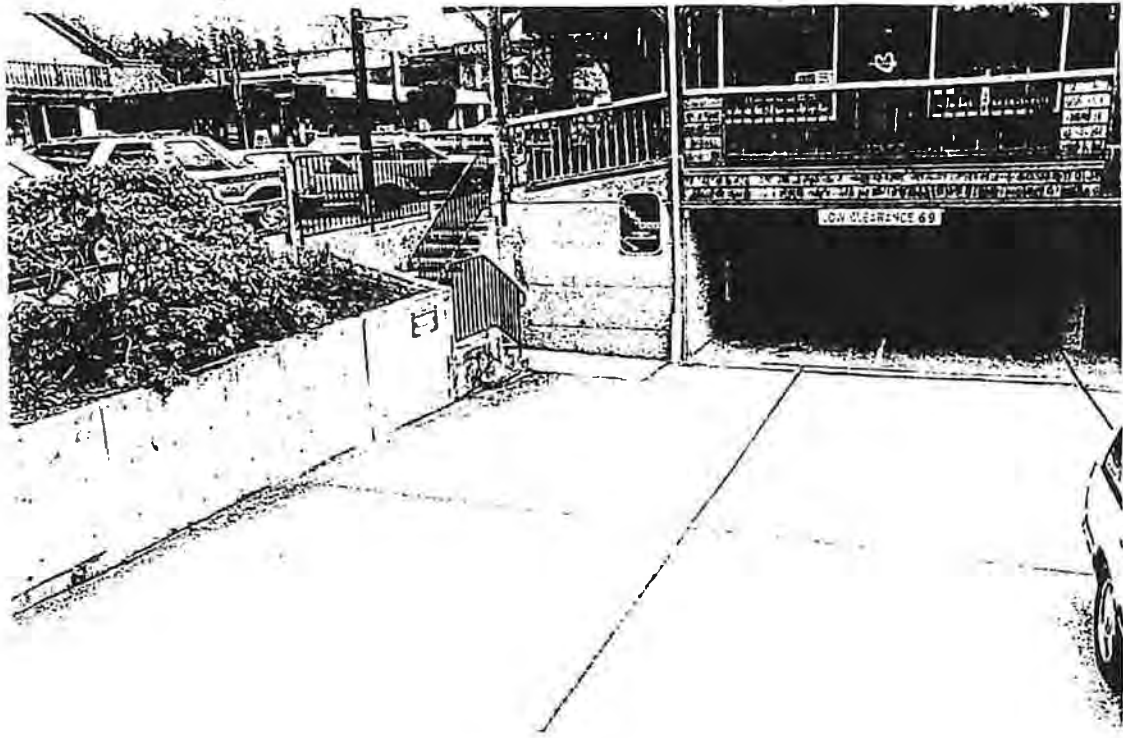
Typical view along Winslow Way at the 100% location in the CBD. This is where the current parking supply is tightest.



Example of a business "making do" with a limited parking resource.



Parking outside the core area is not well subscribed. This is the "Doogals" lot.



Other areas of potentially unused supply include locations that aren't easily accessed, or have perceived access barriers (in this case steps up to Winslow Way).



