

MEMORANDUM

To: City of Calistoga
 From: Teifion Rice-Evans and Michael Nimon
 Subject: In-lieu Parking Fee; EPS #131015
 Date: December 19, 2013

Economic & Planning Systems, Inc. (EPS) was retained by the City of Calistoga to estimate the parking in-lieu fee based on the City's zoning ordinance requirements.

The Economics of Land Use



This maximum fee level is based on the City's zoning ordinance requirements for parking standards and an estimated average cost per parking space in the downtown area. The cost per parking space was estimated at \$10,000 per space, based on a planning-level estimate of downtown land values, the typical size of a surface lot parking space (about 350 square feet), and the typical cost of developing a surface parking space.¹ EPS applied an 80 percent factor to reflect the shared use component of downtown parking. For example, the same parking spot could be used by office workers during business hours and residents during evening/weekend hours. This resulted in an average cost of \$8,000 for each new parking space.

Based on this parking space cost estimate and the parking requirements in the City's zoning code, EPS estimates a maximum parking in-lieu fee of \$16,000 per residential unit, \$8,800 per room for tourist accommodation, \$32 per square foot for commercial uses, and \$80 per square foot for restaurant uses. These estimates are shown in **Table 1**. This fee can only be applied to new development.

While the City has the option of adopting fees up to the maximum levels calculated, EPS does not recommend the City adopt entire maximum fee. The appropriate fee level should be determined in the context of the potential effects on downtown development competitiveness and feasibility as well as parking goals.

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¹ This value is based on interviews with the local market professionals and prior EPS experience.

Table 1
In Lieu of Parking Fee Estimate
Calistoga Development Impact Fee Nexus Study

Item	Zoning Code Requirement	Shared Use Adjustment (1)	Fee Estimate
Surface Parking Cost (2)			
Per Acre	\$1,244,600		
Per space (350 sq.ft.)	\$10,000		
Land Use			
Residential	2.0 spaces per unit	80%	\$16,000 per unit
Tourist Accommodations	1.1 spaces per room	80%	\$8,800 per room
Commercial	1 space per 250 sq.ft.	80%	\$32,000 per 1,000 sq.ft.
Restaurant	1 space per 100 sq.ft.	80%	\$80,000 per 1,000 sq.ft.

(1) Based on the notion that downtown parking spaces could be shared among uses with various peak demand times.

(2) Reflects a combination of downtown land value and site improvement costs.

Sources: Calistoga Zoning Code and EPS.