STATEMENT OF ISSUE:
Pursuant to Municipal Code Section 10-2.202.D (Retention of Existing Parking), when an existing
developed site provides less than the parking currently required by the Zoning Ordinance (usually
as measured by rentable floor area or restaurant seats), there can be no further reduction in parking
spaces or expansion of the use or conversion to a use with higher parking standards. In accordance
with §10-2.3.204.C (Pedestrian-Retail Zoning District Parking Regulations), properties in the
Pedestrian-Retail Zoning District are governed by a single parking standard (1 space per 300 square
feet of rentable floor area), and are allowed to make a request to the City Council to accept payment
of a fee in lieu of providing on-site parking stalls when development proposals would result in the
loss of existing on-site parking stalls or to offset parking requirements for new construction. Three
discretionary development applications are currently pending in the P-R District, and include
requests to allow payment of the in-lieu fee. Two of the development projects are required by the
California Building Code to provide at least one van-accessible stall for the disabled and the third
project is converting an existing parking and service area to an outdoor dining area.

RECOMMENDED ACTION:
Staff recommends the City Council approve the applicants’ requests to pay fees in lieu of providing
the parking stalls onsite, subject to the conditions contained in the draft resolutions (Attachments 1,
2, and 3, respectively).

DISCUSSION:
As a result of the remodeling and other improvements for the Stowe Building and Veggie Grill
Restaurant, one parking stall in the rear parking area on each property will be displaced to provide
for a van-accessible, handicapped parking stall. Because the spaces cannot be replaced onsite due
to dimensional limitations, each applicant is requesting to purchase one parking stall in a City-
owned garage. As outlined in §10-2.3.204.C, the fee to be paid for purchase of one stall is 10
percent of the cost of construction of a garage space, adjusted for inflation. The current in-lieu fee for one parking stall is $3,212 (CCCI 5903, Feb. 2014). The fee calculation worksheet is included as Attachment 7.

In the case of Sunol Ridge Restaurant Dining Patio project, the building was converted from a retail store to a restaurant in 2009 (Design Review Application Y08-130 VeSu Restaurant). The land use conversion required the developer to displace one of three existing parking stalls on the property to make way for a covered trash enclosure required by the City’s Clean Water Program. At that time, the developer paid an in-lieu parking fee equal to 10 percent of the adjusted construction cost of one parking stall within the City’s public parking structures. The current project to convert the rear parking and service area to an outdoor dining patio will displace the remaining two on-site parking stalls. The applicant proposes to mitigate the loss of the stalls with payment of an in-lieu parking fee for one stall equal to 25 percent of the adjusted construction cost (Stall #2) and to make public improvements on the Locust Street frontage (closing a driveway and providing curb/gutter/sidewalk) for one on-street stall (Stall #3). According to the fee calculation worksheet, the cost for Stall #2 is $8,030 (CCCI 5903, Feb. 2014).

Staff believes the City Council can make the findings to grant approval for the applicants to pay fees in lieu of providing parking onsite. At the Stowe Building and Veggie Grill projects, replacement of the parking stalls on-site is not possible due to the physical constraints of the properties. At the Sunol Ridge Restaurant, conversion of the rear parking and service area to outdoor dining is consistent with policies in General Plan 2025 and P-R zoning district development regulations, which promote a pedestrian-oriented environment and discourage surface parking lots and driveway curb cuts.

Overall, these project-related improvements promote the public health, safety, and welfare by improving mobility and accessibility for the disabled, eliminating pedestrian and vehicle conflicts, and enhancing the character and ambiance of the Traditional Downtown.

The number of parking stalls in the downtown currently available for purchase is 146 stalls. The applicants are requesting a total of three stalls, which is only two percent of the total available stalls and well within the allowable portion per the P-R District parking regulations. Therefore, the effect of selling three stalls from the in-lieu parking stall pool is negligible.

**FINANCIAL IMPACTS:**
Payment of funds received in-lieu of providing required parking on-site will be deposited into the City’s standing Parking In-Lieu Fund for the improvement and development of parking facilities in the downtown area.

**ALTERNATIVE ACTION:**
The City Council may choose to consider individual alternative actions for each project. For the Stowe Building and Veggie Grill projects, the Council may consider waiving the fee given the minimal nature of the project and/or the fact that the loss of the parking space is not attributable to an increase in the size or footprint of either building, but to a regulatory requirement; namely, the provision of a larger, van-accessible ADA-compliant stall. For the Sunol Ridge Restaurant Dining Patio project, the City Council may consider forgoing the proposed improvements to accommodate
one metered, on-street stall and require in-lieu payment for two stalls; $8,030 for stall #2 and $16,060 for stall #3.

DOCUMENTS:
Attachment 1: Proposed Resolution, Y13-077-Stowe Retail Building Alterations
Attachment 2: Proposed Resolution, Y13-088-Veggie Grill Restaurant Remodel
Attachment 3: Proposed Resolution, Y13-114-Sunol Ridge Restaurant Dining Patio
Attachment 4: Vicinity Map
Attachment 5: Aerial Image
Attachment 6: WCMC §10-2.3.204.C Pedestrian Retail Zoning District Parking Regulations
Attachment 7: Parking In-Lieu Fee Calculation Sheet
Attachment 8: Site Plan, Y13-077-Stowe Retail Building
Attachment 9: Site Plan, Y13-088-Veggie Grill Restaurant
Attachment 10: Site Plan, Y13-114-Sunol Ridge Restaurant

COUNCIL ACTION RECOMMENDED:
Move to approve the requests to pay a fee for three parking stalls in lieu of providing the required on-site stalls associated with new development at 1375 North Main Street, 1320 Locust Street, and 1388 Locust Street.

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