



# Morgan Hill Downtown Specific Plan

November 2009



# **ACKNOWLEDGEMENTS**

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## Chapter 4: Parking Resources Management Strategy

### Overview

In May 2008, DKS Associates developed recommendations for parking resources in the Downtown area based on existing and projected parking demands. Existing parking conditions were evaluated using surveys conducted in 2004 and 2006. The analysis investigated several characteristics including occupancy, turnover, access, circulation, conditions of parking lot pavement and lighting conditions.

In general, the existing parking occupancy is less than capacity for both on-street and off-street facilities. Parking turnover varied from short durations to all-day parking for Downtown employees. Signage, lighting and pavement conditions are typically adequate; however, observations made during the 2004 surveys identified a few candidate locations for potential improvements.

While current parking demand is less than the available supply, projected development and redevelopment is anticipated to increase parking demand while removing some of the existing off-street and on-street parking supply. Based on no on-site parking requirements for new retail and office developments, retaining the existing availability of 103 on-street spaces for existing residential uses, and targeting a 92 percent occupancy rate, 808 public spaces would need to be added to the supply by 2030.

To improve parking conditions in the Downtown area and address the projected parking needs, this report recommends several near-term and long-term strategies. In the near-term, the City of Morgan Hill should consider reducing the time limit and increasing enforcement of restricted parking spaces. A designated parking lot for Downtown employees would increase the availability of desired parking spaces for Downtown business patrons. The City should also work with property owners to improve the lighting and pavement conditions of private parking lots.

Long-term recommendations focus on increasing the public parking capacity to meet the projected rise in parking demand. The City of Morgan Hill plans to fund additional public parking capacity by converting private parking to public parking lots and by building new off-street facilities, possibly in the form of a joint parking structure for multi-use shared parking. The private sector would be responsible for some construction costs, streetscape improvements, and maintenance through in-lieu fees, a Parking Assessment District, and/or contributions to the Downtown Business Improvement District. Modified parking requirements should be established for new developments, with particular requirements for residential uses to provide sufficient designated parking. If a meter program is considered, a Parking Pricing Strategy should be implemented. Finally, a Parking Monitoring Program should be created to ensure that the parking occupancy rate remains at the desired level.

The complete analysis conducted by DKS Associates is available through the City of Morgan Hill Community Development Department.

### Survey Methodology

The 2002 Morgan Hill Parking Survey found that there was sufficient parking available in the Downtown area to meet the needs of current development levels. A limited follow-up survey was conducted in November 2004 to detect any changes in parking patterns since the 2002 comprehensive study.

The Downtown study area extends from Main Street to the north, Dunne Avenue to the south, Del Monte to the west, and Depot Street to the east. To account for the greater parking demand observed along Monterey Road between Main Avenue and Third Street, a smaller “focus” area was established in the 2004 follow-up survey. The “focus” area consisted of both restricted (2-hour time limit) and unrestricted parking spaces along the entire length of Third Street between Monterey Road and Depot Street. In addition, the “focus” area included the restricted on-street parking spaces on Monterey Road between Main Avenue and Third Street, and along First, Second, and Third Streets approximately within 100-200 feet of Monterey Road. Figure 16 depicts the entire study area, including the boundaries of the “focus” area.

The limited follow-up surveys were conducted during one Weekday morning and one Saturday morning from 10:00 A.M. to 1:00 P.M. Occupancy and parking duration were measured along the five on-street segments and in the five parking lots with the highest occupancy identified in the 2002 report. Figure 17 lists the parking survey sites.

In addition to the 2002 comprehensive parking surveys and the 2004 follow-up surveys, the Metropolitan Transportation Commission (MTC) conducted surveys in July 2006 for parking policy recommendations supporting smart growth in the Morgan Hill area. Because the results of these surveys were found to be generally consistent, an updated comprehensive parking survey was not conducted for the 2008 report.

### Existing Conditions

There are approximately 1,237 parking spaces located within the Downtown study area (not including a total of 699 spaces at the Caltrain parking lot and at the Community and Cultural Center). All parking in the Downtown core area is currently free to users.

#### On-Street Parking

Of the approximately 477 on-street parking spaces in the study area, 115 are restricted spaces limited to either 2-hour parking (107 spaces) or 20-minute parking (9 spaces). Figure 18 illustrates on-street parking locations.

Since the 2004 survey, however, 54 on-street spaces have been removed due to the Third Street Redevelopment Project and the Depot Street Redevelopment Project. 423 spaces remain.

#### Off-Street Parking

The study area consists of approximately 760 off-street parking spaces available in public parking lots, private lots provided for customers for specific commercial uses, and private lots prohibited to the public. Only two public parking lots have posted time restrictions. The 232 spaces available in the Morgan Hill Community and Cultural Center parking lot and the 467 spaces at the Caltrain/VTA parking lot were not included in the study. Figure 19 illustrates the off-street parking facilities in the study area.

Figure 16  
Project Study Area



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**Figure 17  
Parking Survey Sites**

	Side/Lot#	Segment/Location	To/From Street
On-Street	West	Monterey Road	Main Street to First Street
	East	Monterey Road	First Street to Second Street
	West	Monterey Road	Third Street to Fourth Street
	East	Monterey Road	Fourth Street to Fifth Street
	North	Third Street	First Street to Second Street
Parking Lot <sup>1</sup>	#8	Wells Fargo Bank	E. Main Street
	#8A	Public Lot	Monterey Road
	#13	BookSmart Bookstore/Just Breakfast Restaurant	Monterey Road between W. First Street and W. Second Street.
	#16	Bike Shop/Restaurant/Toy Store	W. Second Street to W. Third Street
	#19	Coffee/Bagel, restaurant	E. Third Street

<sup>1</sup> Off-Street parking lots for businesses as of 2004. See Figure 19 – Off Street Parking Facilities Location.

**Figure 18**  
**On-Street Parking Locations**



P:\041919\Rev'd Drift Final off-street parking 10-07.cdr\*12/4/07



Figure 19  
Off-Street Parking Facilities Locations



P04191-Road Draft Final OnStreet Pricing no numbers.cdr-12/10/07

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### **Parking Utilization**

In general, the follow-up parking surveys showed that existing parking occupancy is less than capacity for both on and off-street parking facilities. Figure 20 summarizes the observations of existing supply and demand for the designated “focus” area and entire Downtown study area.

The follow-up survey confirmed the 2002 report that the majority of on-street parking spaces are not fully utilized. Unrestricted parking spaces further away from the Downtown “focus” area (away from Monterey Road and south of Third Street) are considerably under-utilized (less than 50 percent). While some segments of on-street parking experience near full occupancy, especially during peak periods (lunch hour), additional on-street parking was still available on nearby side streets.

Off-street parking spaces were also observed to be under-utilized. Private lots reserved for restaurant customers experienced high occupancy during peak (lunch) hours, but off-street parking in public lots was found to be available nearby.

### **Parking Turnover**

In general, the Downtown area would benefit from higher turnover rates to increase the availability of spaces near commercial businesses. While the average turnover for on-street parking spaces with the highest occupancy is typically less than two hours, in accordance with the posted limits, it was observed that a few vehicles remained parked for longer than two hours. Figure 21 shows the on-street parking turnover for the five locations with the highest occupancy. Likewise, vehicles generally park for one to three hours in the two time-restricted public parking lots, but many vehicles remain parked for more than the 4-hour limit. Figure 22 shows the estimated occupancy and duration for the five parking lots with the highest observed occupancy.

### **Physical Conditions of Parking Facilities**

On-street restricted parking spaces within the study area are typically well signed and in good condition along paved curbs. Unrestricted parking outside of the “focus” area is generally for residential use and the conditions of the curbs and sidewalks vary from none to fully paved. In general, public parking lots are well maintained with good paving and lighting while the condition of private lots varies greatly. Many of the lots have poor striping conditions, which could reduce the total capacity of a parking lot if vehicles do not follow the designated parking spaces. Inter-lot connections could lead to more uniform management of Downtown parking resources, leading to aesthetic improvements and marginal efficiency gains. Conversations with Downtown stakeholders revealed that many business owners believe that upgrading the lighting and maintenance of existing parking structures is a top near-term priority.

### **Parking Signage**

There are three main types of signs currently used to direct motorists to public parking lots and on-street parking: on-street parking signs, public parking signs with directional arrows, and public parking signs without directional arrows. While most signage is clear and consistent throughout the Downtown area, five signs are faded or damaged due to vandalism and entry to the public parking in Lot #16 is difficult to find. The City of Morgan Hill has recently implemented a new Downtown Directional Signage Program, which includes new decorative directional signage for parking and upgrades for deficient signs.

**Figure 20  
Existing Parking Supply and Demand**

Type of Parking	Location	# of Spaces	Weekday Midday Peak Occupancy <sup>b</sup>	Weekend Midday Peak Occupancy <sup>b</sup>
			% Occupied	% Occupied
On-Street	Focus Area	144 <sup>a</sup>	74%	74%
	Downtown	477 <sup>c</sup>	39%	42%
Off-Street	Public <sup>d</sup>	88	82%	69%
	Private (Commercial) <sup>d</sup>	269	56%	41%
	Private (Restricted) <sup>d</sup>	32	53%	6%
	Downtown	750 <sup>e</sup>	49%	32%
All Parking Total	Focus Area	533	65%	52%
	Downtown	1227	45%	36%

Notes: a – # of On-Street spaces is based on field observations for the “Focus” area, and the 2002 Morgan Hill Parking Survey for other areas of Downtown

b – Occupancy percentages based on updated 2004 survey results.

c – Current supply has since been reduced to 320 spaces available to retail and office uses (26 spaces reduced due to the Third Street Redevelopment Project, 28 spaces reduced due to the Depot Street Redevelopment Project, and 103 spaces are currently used by existing residential development).

d – Off-street parking located within the “Focus Area”

e – Number of Off-Street spaces includes Parking Lot #37 (74 spaces, west of RR tracks), but not 37A, 37B (467 spaces, east of RR tracks), or 38 (Community and Cultural Center, 232 spaces), which were not included in the 2002 Report.

**Figure 21  
On-Street Parking Turnover**

Time Period	Roadway Segment	Side of Street	Capacity	Average Occupancy	Average Duration (hr)
Weekday	Monterey Rd (Main - First)	West	4	69%	1.8
	Monterey Rd (First – Second)	East	8	56%	1.5
	Monterey Rd (Third – Fourth) <sup>c</sup>	East	3	8%	1.0
	Monterey Rd (Fourth - Fifth) <sup>c</sup>	East	8	28%	1.8
	Third Street (Monterey – Depot)	North	25	54% <sup>a</sup>	2.2 <sup>b</sup>
Weekend	Main St (Del Monte - Monterey)	South	9	47%	2.7
	Monterey Rd (Main – First)	East	5	50%	2.5
	Monterey Rd (First – Second)	West	4	81%	1.0
	Monterey Rd (First – Second)	East	8	66%	1.3
	Third Street (Monterey – Depot)	North	25	88% <sup>a</sup>	1.2 <sup>b</sup>

**Notes:** a – Average occupancy is based on the entire length of street (24 spaces).

b – Average duration based on the first 10 spaces observed for measurements of duration.

c – Non-focus area, non-restricted

**Figure 22  
Off-Street Parking Facilities Turnover**

Time Period	Parking Lot <sup>a</sup>	Parking Facility Location	Capacity	Average Occupancy <sup>b</sup>	Average Duration (hr) <sup>c</sup>
Weekday	Lot #19	Coffee/Bagel, Restaurant (E. Third Street)	17	75%	1.9
	Lot #8A	Public Lot (Monterey Road) between E. Main St & E. Second St	23	74%	3.3
	Lot #10A	Paved – Maurizio’s (E. First St)	7	68%	2.8
	Lot #7	Restaurant/Tattoo Shop (Monterey Rd)	22	59%	1.6
	Lot #16	Bike Shop/Restaurant (W. Second St & W. Third St)	36	50%	3.1
Weekend	Lot #19	Coffee/Bagel, Restaurant (E. Third St)	17	59%	1.5
	Lot #8	Public Lot (Monterey Road)	38	47%	1.4
	Lot #8A	Unpaved (Monterey Road)	23	68%	3.3
	Lot #13	Restaurant/Tattoo Shop (Monterey Road)	26	81%	2.5
	Lot #16	Bike Shop/Restaurant (W. Second St & W. Third St)	36	69%	2.2

Notes: a – See Figure 19 (Off-Street Parking Facilities Location).

b – Average occupancy is a measure of entire lot.

c – Only first 10 spaces observed for measurements of duration during limited parking survey

### **Parking Enforcement**

On-street parking and publicly maintained parking lots are currently enforced on a complaint basis for vehicles parked for extended periods (typically greater than three days, per City ordinance). In previous years, parking enforcement of the posted 2 and 4-hour time limits was shown to be impractical by law enforcement and not desired by the Downtown business community. Enforcement is not urgently needed under current parking conditions as motorists generally adhere to posted parking signs.

Enforcement of privately owned parking lots is currently the responsibility of the business owners. While many of the private parking lots have posted signs warning non-patrons of potential towing, no enforcement was noted during the 2004 field study. However, there have been recent reports of increased enforcement by private lot owners of Lot #16.

### **Employee Parking Conditions**

Currently there is no designated employee parking area for Downtown businesses. The 2004 field observations revealed that many employees use off-street parking lots and suggested that some employees park on Third Street and Fourth Street in the unrestricted on-street parking spaces. Because some vehicles were observed to park in 2-hour on-street spaces and in 4-hour off-street spaces for extended periods, it is likely that employees use restricted parking, limiting the availability of desirable spaces for business patrons.

### **Bicycle Parking Conditions**

The 2001 City of Morgan Hill Bikeways Master Plan recognizes the potential to expand and improve existing bicycle facilities in the study area. Most bicycle parking in the Downtown area use inverted U bicycle racks, which follow Class I standards of bicycle parking as defined in the Santa Clara County VTA Countywide Bicycle Plan. However, there are two comb racks in the study area, which are classified as Class III bicycle parking facilities and are not secure.

### **Residential Parking Conditions**

Observations from the 2004 parking survey suggest that approximately 103 vehicles in on-street parking spaces within the core Downtown area were related to existing residential uses. Because the availability of existing off-street residential supply is not identifiable, quantifying a future on-street parking demand would not be reliable. For the purposes of this analysis, the observed existing demand is considered static and accounted for as a reduction in available future supply.

### **Depot Street and Third Street Streetscape Projects**

The 2002 and 2004 parking surveys that provided the data for this parking strategy only included on-street parking spaces along the west side of Depot Street, and 65 spaces existed prior to the Depot Street Streetscape Project. Post-project, there are 37 parking spaces along the west side of Depot Street, a reduction of 28 on-street spaces. The planned Third Street project will reduce on-street parking supply from 56 spaces to 25 on-street spaces, a reduction of 26 spaces. Therefore, a total of 54 on-street spaces are reflected as a reduction of future on-street supply in this analysis.

### Future Projections

Future growth projections fall into two categories: short term (year 2015) and long term (year 2030). Based on projected development plans outlined in previous chapters, several existing parking facilities for commercial uses may be modified or removed. Although future developments typically include some parking supply for the intended land use, no additional spaces were assumed to be included in the future commercial developments. New residential uses are anticipated to provide adequate off-street parking at a rate of 1.0 space for units smaller than 600 square feet, 1.5 spaces per unit between 601 square feet and 1,350 square feet, and 2.0 spaces per unit larger than 1,350 square feet.

### Short Term (Year 2015) Parking Conditions

Based on the projected 2015 development scenarios, the total parking demand in 2015 would be approximately 1,232 spaces for commercial land uses. The demand is expected to increase for retail parking by approximately 269 spaces and for office parking by approximately 121 spaces. Figure 23 shows the parking generation rates and total parking demand estimates for the existing and short-term conditions. Parking generation rates were obtained from a 2007 MTC study and reviewed by DKS Associates for use in this analysis.

The anticipated retail expansion and streetscape projects result in a loss of 208 parking spaces, reducing the supply from 1,237 spaces (760 off-street and 477 on-street) to 1,029 spaces (606 off-street and 423 on-street) within the Downtown area. Because approximately 103 of the on-street spaces are currently occupied by existing residential uses, the final estimated parking supply would be approximately 926 spaces. Considering the increase in demand for 1,232 spaces, a shortfall of 306 spaces will occur by 2015, focused around Blocks 2, 3, 4, and 7.

### Long Term (Year 2030) Parking Conditions

Using the 2030 projected development scenario and the parking rates from the 2007 MTC study, the total estimated commercial parking demand for the year 2030 would be approximately 1,560 spaces. The demand is estimated to be 829 spaces for retail parking and 731 spaces for office parking. Figure 24 provided a summary of the total parking generation rates and demand estimates.

Developments throughout the remainder of the Downtown core area between 2015 and 2030 may eliminate up to 174 off-street parking spaces. Combining this estimate with the loss of 208 parking spaces due to the projected 2015 development and the assumption that approximately 103 spaces are occupied by existing residential parking, the parking supply will be reduced from 1,237 spaces to 752 spaces.

Based on the calculated demand of 1,560 spaces for commercial uses, there will be a net shortfall of approximately 808 spaces in the Downtown core area by the year 2030. Figure 25 summarizes the estimated parking demand, supply, and parking supply excess/shortfall for Downtown commercial uses only.

**Figure 23  
Short-Term Parking Generation Rates and Demand Estimates (2015)**

Land Use	Units	Parking Rates	Existing		2015	
			Size	Demand	Size	Demand
Retail	sq. ft	2.86	123,365	353	217,586	622
Office	sq. ft	4.0	122,248	489	152,405	610
<b>Retail and Office Demand</b>				<b>842</b>		<b>1,232</b>
Residential	d.u.	tbd	193	tbd	546	Tbd

**Source:** Metropolitan Transportation Commission's (MTC) Parking Profile and Policy Recommendations – Morgan Hill. Figure 25 – Demand Based and Peak Based Parking Rates (parking/unit). Memorandum prepared by Wilbur Smith Associates for MTC. June 29, 2007.

**Figure 24  
Long-Term Parking Generation Rates and Demand Estimates (2030)**

Land Use	Units	Parking Rates	Existing		2015		2030	
			Size	Demand	Size	Demand	Size	Demand
Retail	sq. ft	2.86	123,365	353	217,586	622	289,855	829
Office	sq. ft	4.0	122,248	489	152,405	610	182,839	731
<b>Retail and Office Demand</b>				<b>842</b>		<b>1,232</b>		<b>1,560</b>
Residential	d.u.	tbd	193	tbd	546	tbd	874	tbd

Note: Parking Rates are for combined weekday/weekend peak, per 1,000 square feet or per dwelling unit.

**Figure 25  
Commercial Parking Supply and Demand Comparison**

Block	Estimated Commercial Demand			Estimated parking Supply			Parking Shortfall	
	Retail	Office	Total	Off-Street	On-Street <sup>a</sup>	Total	Off-Street Only	Total
Existing	353	489	<b>842</b>	760	320	<b>1,080</b>	-82	<b>+238</b>
Year 2015	622	610	<b>1,232</b>	606	320	<b>926</b>	-626	<b>-306</b>
Year 2030	829	731	<b>1,560</b>	432	320	<b>752</b>	-1,128	<b>-808</b>

Note: a – includes a reduction of 103 spaces to be occupied by existing residential land uses and a reduction of 81 spaces from Third Street Redevelopment Project and Depot Street Redevelopment Project



## Recommendations

### Near-Term Parking Improvements

On-street parking serving the Downtown area is generally well marked, and motorists typically adhere to posted parking signs and time limits. However, converting the 4-hour public parking lots to 2-hour parking with enforcement will reduce the number of vehicles that remain parked for longer than posted limits and increase parking turnover. A parking lot designated for Downtown employees should be established to further increase the availability of spaces near businesses for patrons. Public parking lots are generally well paved and adequately lit, but many of the private parking lots would benefit from improved lighting and pavement conditions. While existing bicycle racks are not always used, comb bicycle racks should be replaced with inverted U racks and locations for additional bike racks should be considered with input from local businesses.

### On-Street Parking Recommendations

- Update street lighting to current standards for new on-street parking as outlined in the Caltrans Traffic Manual or by other agency standards. Improved lighting would address safety concerns, encouraging people to feel comfortable walking greater distances to parking lots, and potentially attract more business. In general, a luminaire pole should be provided every 150 feet with a luminance of approximately 2 to 3.5 foot-candles. Installation of a new luminaire pole with foundation typically costs between \$5,000 and \$10,000, with decorative styles being slightly more expensive.
- Replace five (Caltrans Type R32) signs due to fading and vandalism. Replacing existing signs costs approximately \$200 per sign.
- Consider regular scheduled sign maintenance, with landscaping and sign replacements conducted on an as needed basis.

- Direct business owners and employees to park in public lots outside of the core area, away from businesses along Monterey Road. Public lots near Depot Street and E. Fourth Street (Lots #30, #37, #37A, and #37B) and private lots near Del Monte Ave between W. First Street and W. Second Street (Lots #8, #11, and #15) are under-utilized.

### Off-Street Parking Recommendations

- Resurface pavement in private lots typically used by Downtown business patrons (Lots #10A, #14, #31, and #33). Other private lots (Lots #3, #5, and #6) were also observed to have poor pavement conditions. Resurfacing existing paved parking lots with new asphalt-concrete typically costs about \$3.00 per square foot. This estimate does not include striping or grading, if needed. The property owners of private lots should be responsible for appropriate maintenance and lighting, although the City's Redevelopment Agency may develop a program to provide funding assistance for such improvements.
- Improve poor striping in public lots (#8A and #30) and private lots (#7, #13, #20, and #23) typically used by Downtown business patrons. Striping generally costs about \$1 per linear foot with costs ranging from \$20 to \$45 per parking space.
- Check lighting levels and inventory fixtures in parking lots that were observed to have poor lighting conditions (Lots #9, #10A, #13, #14, #22, and #31). Costs for lighting fixtures are discussed above in the first on-street parking recommendation.
- Add two new "Public Parking" signs to the entrances of Lot #16 at W. Second Street & W. Third Street. Adding a new sign costs approximately \$500, with decorative directional signs typically being more expensive.

- Establish a lot for Downtown employees located outside of the “focus” area to increase parking for business patrons. The City should work with the Downtown Association to identify potential locations, such as the 232-space parking lot at the Community and Cultural Center. The cost of designating a public lot as a long term parking facility would be negligible. A stakeholder meeting and support from private businesses would educate the public and increase compliance.
- Convert 4-hour public parking lots (Lots #8A and #17) to 2-hour parking with enforcement to encourage higher turnover. Costs for adding new signs and parking enforcements are described in the previous section.
- Add directional signs to off-street parking facilities on other blocks to help motorists find other available parking if their first choice of parking lot are fully occupied.
- Conduct parking demand surveys during peak hours at the Community and Cultural Center on weekdays, during the evenings, and on weekends to determine if there is a surplus parking supply that may be used as a shared parking resource. If a new parking facility were needed, it would cost between \$2,500 and \$5,000 per space to pave undeveloped land. Costs range due to the levels of excavation, grading, paving, curb installation, drainage, lighting, and signage. While developing new parking sites is considered a high priority for redevelopment and other funds allocated to Downtown, ongoing maintenance and operation costs would be shared among Downtown stakeholders.
- Facilitate inter-lot connections and circulation between private parking lots. The City should consider developing shared lease agreements with private entities, purchasing smaller parking lots, and encouraging physical improvements such as curbs, dirt fill, wood railing removal, grading, paving, re-striping and coordinated lighting.

### **Bicycle Parking**

- Remove and replace two comb racks (located at the northeast corner of First Street & Monterey Road and the southwest corner of Second Street & Monterey Road) with inverted U bicycle racks as described in the City of Morgan Hill Bikeways Master Plan. Removing existing comb racks costs about \$100 each and installing new inverted U bicycle rack are approximately \$500 each.
- Work individually with local businesses to add new bicycle racks at locations with high bicycle demand. Selecting appropriate locations for bicycle racks may encourage additional and safer bicycle use.
- Investigate the feasibility of providing an attendant-serviced bicycle parking station for rail transit users and downtown employees.

### Future Parking Improvements

The current parking forecast in the Morgan Hill Downtown area shows that the retail development at Blocks 2, 3, and 4 with the estimated removal of 208 parking spaces by 2015 (154 off-street and 54 on-street) will result in more demand than the current and projected supply can accommodate. Between 2015 and 2030, development throughout the remainder of the Downtown Core area may eliminate up to 174 additional off-street spaces. Because of this projection, the City should consider seven general strategies that are aimed at long-term development or financing of parking assets. Should the parking demand exceed the projections in this report due to increased development or for other reasons, one or more parking structures should be considered.

### Long-term Parking Strategies

1. **Create additional public parking supply.** The Redevelopment Agency has recently allocated funds for increasing the supply of Downtown public parking and other funding sources such as in-lieu fees paid by non-residential developers will also be available. At the present time, the City of Morgan Hill intends to acquire and improve public parking spaces prior to the occupancy of new developments, increasing the public parking supply by 500 additional spaces by the year 2015. Several potential strategies are listed below.
  - **Convert private parking to public parking.** To increase the public parking supply, the City should consider acquiring private parking resources. The City would benefit from a greater parking supply and developers would reduce their expenses. The City/RDA would be responsible for improving the lots and for their operation and maintenance (using a variety of resources as discussed in other sections of this report). This strategy may also lead to better

opportunities to combine or adjust access to parking lots.

- **Build a pedestrian crossing over the railroad tracks.** To access the additional parking supply located east of the railroad tracks, City Council recommends building a grade-separated pedestrian crossing over (or under) the Caltrain railroad tracks.
2. **Commercial Parking.** If future commercial development is required to provide on-site parking, businesses will either not locate Downtown because they cannot afford to build parking or businesses will provide private parking, which increases the parking supply but not the revenue generated by parking resources.

Non-residential development will be exempted from on-site parking requirements, and instead will be responsible for paying in-lieu fees that fund a portion of the development, operations, and maintenance costs. Parking costs will be met with a combination of RDA funds, in-lieu fees, contributions to the Business Improvement District, and/or a Parking Assessment District.

- 3. Developer In-Lieu Fees.** Projects will pay in-lieu fees instead of being required to provide on-site private parking. In-lieu fees can be used for overall parking and streetscape improvements as well as maintenance. This strategy is effective as long as there is parking available when a new commercial development is built and the improvements attract more businesses, residents and patrons to the area.

An in-lieu fee program would consist of several elements that typically include:

- Fee Collection Process
- Amount of Fee
- Time of Collection of Fees
- Use of Fee
- Current Fee Schedule
- Disputes Resolution Process
- Trust Fund or Account Maintenance
- Termination of Program
- Fee Schedule and Escalation Provisions

The fee will be based on the revised Downtown parking requirements, per the MTC Study, and set forth in this Specific Plan (page 4-19). Other elements would be determined at the direction of the City. The MTC Study reports that current in-lieu fees vary widely across the Bay Area, ranging between approximately \$10,000 and \$30,000 per required space for office developments, and vary significantly depending on parking requirements from other land use types.

- 4. Create a Parking Assessment District.** Under a Parking Assessment District, business or property owners would contribute to a fund for both short-term and long-term parking improvements, maintenance, and operation. The fund would apply to all existing and future business or property owners proportionately.

Parking Assessment Districts are often considered in locations where parking meters are not desirable. If there is not a parking turnover problem or enough parking demand to generate the desired meter revenue, a Parking Assessment District may be more appropriate. The key difference is that business or property owners pay into the assessment district while the actual user pays into a meter program.

- 5. Use parking meter revenue in the Downtown Business Improvement District.** Currently, there are no user-paid parking revenue sources in Downtown Morgan Hill; however, parking meters generate revenue that could be funneled into the Downtown Business Improvement District. While many businesses will be concerned that parking meters will deter customers, parking meters lead to greater turnover of desired spaces (such as those fronting Monterey Road), and thus make the Downtown more inviting and accessible. The streetscape, parking and lighting improvements funded by meter revenue will make Downtown more attractive, and thus attract more people to the area.

6. **Create a Parking Pricing Strategy.** If a meter program is considered, then a parking pricing strategy should also be created for all of Downtown, including any potential future parking structures. Pricing should encourage longer-term parking (i.e., more than four hours) to park off-street and shorter-term parking to be located on-street at metered spaces. Free parking (to the user), if any, should be located on the fringe areas of Downtown, and would need to be enforced alongside the fee parking areas.
7. **Implement a Parking and Land Use Monitoring Program.** A Parking and Land Use Database and Monitoring Program shall be created to track changes as development occurs, and to ensure parking capacity is added to maintain adequate supply. Demand for parking from non-residential land uses shall be documented, along with changes in the parking supply, through the preparation of a monitoring report submitted to the City Council every two years to ensure planning, regulatory, and construction measures are undertaken to provide adequate parking supply as development and redevelopment occurs in the 14-block Downtown Core area. New parking facilities should be planned for when new retail uses are occupied. In addition, because redevelopment projects could remove existing parking supply and/or increase parking utilization rates, additional capacity may be needed. An on-going monitoring program will be conducted so that new parking facilities are made available as parking occupancy rises.

### **Parking Requirements for Downtown**

As described previously in Figure 25, the estimated commercial demand (office and retail) will increase by 718 spaces to 1,560 by the year 2030 with full build-out. To accommodate the increased demand, modified parking requirements are adopted as set forth in Figure 26. Parking rates for office land uses are recommended to be 4.0 spaces per 1,000 square feet. This is consistent with the parking demand rate estimated in the MTC Parking Study as well as other parking publications. This would provide adequate parking for employees, and would discourage them from parking in shorter term, retail parking spaces. Up to 60,591 square feet of additional office space is projected to be developed by 2030. A parking rate of 4.0 spaces per 1,000 square feet would provide 242 parking spaces.

With the office land uses providing 242 parking spaces in addition to the projected supply of 752 spaces, a shortfall of 566 parking spaces would occur. Based on the Downtown Specific Plan, approximately 205,390 square feet of retail development is anticipated by 2030, and includes 38,900 square feet of redeveloped retail (166,490 square feet of net-new retail).

Retail redevelopment and net-new development are required to provide additional parking capacity, and a requirement of 2.8 parking spaces per 1,000 square feet of retail development is adopted. These rates are correlated to the land uses identified in this report, and may need adjusting over time if changes to the proposed land uses occur. Figure 26 summarizes these parking requirement rates. The parking requirement rates establish the basis for payment of in-lieu fees.

**City Council Goal of 92 Percent Occupancy**

One possible goal of the Morgan Hill City Council is to achieve a 92 percent occupancy rate of on-street parking in 2030. To do so, 1,696 spaces would have to be provided for the forecasted commercial (retail and office) demand of 1,560 spaces. To build 1,696 parking spaces, the recommended parking requirement rates presented in Section 4.2.1, Table 11 would need to be increased to 4.4 spaces per 1,000 square feet for new office development and 3.4 spaces per 1,000 square feet for new retail development and redevelopment. These rates were not adopted, but are presented for informational purposes.

**Figure 26  
Downtown Parking Requirement Rates**

Retail	Office	Residential
2.8 spaces / 1,000 s.f.	4.0 spaces / 1,000 s.f.	1.0 space per unit < 600 s.f. 1.5 spaces per unit >600, <1,350 s.f. 2.0 spaces per unit > 1350 s.f.

### Off-Street Parking Location Strategies

Based on the spatial patterns of the parking demand and supply shortfall estimates, several areas become apparent as locales with additional parking capacity needs.

Due to the proximity and relatively similar land uses on Blocks 2, 3, 4, and 5, single or multiple off-street parking facilities forming a system of commercial public spaces in this vicinity should be considered. If one main parking facility were desired, the most central location would be within Blocks 3 or 4. However, it may not be feasible to develop a large parking supply on these blocks because of the mixed-use development planned for Blocks 3 and 4. Single or multiple parking facilities serving Blocks 2, 3, 4, and 5 should provide approximately 126 spaces with the build-out of Blocks 2, 3, and 4 (by year 2015), and an additional 40 spaces by the build-out of Block 5 (166 spaces total by year 2030). Because of the space needed to accommodate 166 parking spaces, the sites should be limited to those that can provide the most parking spaces in one consolidated location.

Because of the isolated location of Block 14 in the southwest corner of Downtown and its primarily office land use, a self supporting/on-site parking facility of up to approximately 140 spaces should be provided at this site for the commercial land uses. Residential land uses within Block 14 are assumed to provide sufficient off-street parking supply for the residents. Some parking capacity at Block 6 (public community center) may be available as a potential site and could be pursued further.

The City of Morgan Hill has identified several alternative locations for additional parking that will not only increase the parking supply to address the projected parking shortfall, but also better accommodate the existing needs of the residential and commercial uses. Funding for new parking facilities will come from the long-term parking strategies outlined above, which will to be investigated further as the Plan is implemented. The Redevelopment Agency has identified several million dollars in funding for this effort.

- **The east side of Depot Street.** The area generally between Dunne Avenue & Third Street would accommodate several narrow surface lots with diagonal parking located between Depot Street and the railroad tracks. A narrow parking structure may be able to be constructed within this right of way.

The area between Third and Fourth Streets was acquired by the City Redevelopment Agency. An interim surface lot has been constructed at location, and it provides 92 public spaces. A longer-term plan may include a parking structure at this site.

- **A joint parking structure for multi-use shared parking.** The possibility for shared parking in the Downtown area parking lot should also be considered. While a more detailed financial analysis would have to be conducted specifically for this project, the idea of sharing costs, debt service, and revenue would benefit all participating parties. The mix of uses in a Downtown lends themselves very well to a shared parking concept. Two possible locations for a multi-use shared parking lot are:

- **Caltrain/VTA parking lot.** If the existing Caltrain/VTA parking lot became a joint parking facility, the needs of weekday commuters would compliment the nighttime and weekend uses for residents and other users. If the local agencies pay for part of any new parking structure, along with Parking Assessment District and in-lieu fees, it would alleviate some of the burden to new development of providing private parking spaces. A parking structure in this location will be proximal to the Downtown core area and, in particular, to much of the future development in Downtown.

In this Specific Plan, this parking lot is identified as a potential transit-oriented residential development site, and may have a separate shared parking arrangement between the residential uses and the transit riders. This proposal may limit the potential commercial parking capacity in this location. Residential parking would need to be in a distinct area separated from commercial or transit parking to guarantee residents a parking spot, provided at a ratio to meet the minimum zoning requirement. Guest parking and any extra residential parking would be part of the shared parking pool. Transit parking could also be provided in both a guaranteed area (often called a nested parking area) as well as in the shared parking area.

Monthly pass holders, for example, would park in a guaranteed transit parking area, while other transit users would park in the shared parking area. The success of the shared parking program would be dependent upon the allocation of spaces in each distinct area as well as the turnover of spaces in the shared parking area.

- **Community and Cultural Center parking lot.** A structure at the existing CCC lot on Block 6 would provide an alternative to creating a shared parking facility with the identified residential opportunity site. A three level parking structure at the CCC lot could create a capacity of up to 570 spaces total (190 spaces per level).

In addition to the sites identified above, several other locations should be considered for potential acquisition and construction of new parking structures. Ideal locations would be centrally located to the anticipated retail redevelopment areas, and may be integrated within the new or redeveloped retail areas in the form of a parking garage with ground floor retail fronting the street. These locations may potentially include:

- Existing Lot #2 behind the Downtown Mall (Block 2)
- Within the proposed Sunsweet Site or existing Lot #24 (Block 4)
- Unpaved property adjacent to Lot #8 (Block 1)



### On-Street Parking Strategies

Parking demand generated by the new developments and the displaced vehicles are anticipated to park on First, Second, or Third Streets between Monterey Road and Depot. Although observations of current conditions show that parking is available, availability at prime locations may become limited during peak parking periods. The following recommendations should be incorporated based on findings from a future monitoring program as certain benchmarks are reached.

- Adopt a parking monitoring program to track both on-street and off-street parking conditions in the Downtown area. Parking surveys should be done on a regular basis (annually) and could be paid for by the City of Morgan Hill Redevelopment Agency or by developers as part of their application process. A report similar to the 2002 Parking Survey costs approximately \$5,000 to \$10,000 to complete.
- Enforce the 2-hour parking limit in restricted spaces to discourage long-term parking, and therefore increase turnover and the availability. Visitors to a proposed movie theater would need accommodations for longer parking durations. Personnel costs in a range between \$40 and \$85 per hour depending on the officer's classification; however, parking enforcement is typically a self-funded program via the revenue generated from the parking tickets.
- Expand the 2-hour parking zones to increase turnover if monitoring reports show that parking occupancy along specific street segments is fully utilized. Adding new parking signs would cost approximately \$500 each. The additional enforcement could be a neutral cost or positive revenue. If the expansion encroaches into residential areas, a residential parking permit may be implemented to allow local residents to park in designated restricted areas for greater than the 2-hour limit.

### Street Improvements

Street and streetscape improvements should be prioritized to coincide with development improvements. Because Blocks 2, 3, and 4 are projected to experience redevelopment prior to other blocks, the likely candidates for initial street improvements are Fourth Street, Second Street, First Street, Fifth Street, and Main Street.

Similarly, other roadway and infrastructure improvements should be timed to match development intensification or changes. For example, the Third Street crossing west of Monterey Road serves a small parking area. If the parking lot is used more regularly, then the timing of the bridge improvement should coincide with the increased use. The bridge should be evaluated for structural integrity, and consideration should be given to a replacement that can accommodate two travel lanes, pedestrian, and bicyclists.

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