



MEMORANDUM

TO: David Garcia, Sandstone Properties

FROM: Brian Hartshorn

DATE: October 16, 2019

RE: Shared Parking Study for the
1330 W. Pico Boulevard Hotel
Los Angeles, California

Ref: J1607

Gibson Transportation Consulting, Inc. (GTC) has prepared a shared parking analysis for the proposed hotel project (Project) located at 1330 W. Pico Boulevard in the City of Los Angeles (City). The Project is a 730-room hotel with ancillary uses, including restaurant, office, and meeting rooms. The hotel use inherently includes ancillary uses that have the capability to share parking spaces and should not be evaluated independently as they support the hotel and do not necessarily generate demand for unique parking spaces. This memorandum summarizes our analysis.

SHARED PARKING ANALYSIS

A shared parking demand analysis was conducted based on typical weekday and weekend rates and methodologies recommended in *Shared Parking, 2nd Edition* (Urban Land Institute [ULI] and the International Council of Shopping Centers [ICSC], 2005).

As part of the national research on shared parking in mixed-use developments, ULI/ICSC developed a database that identifies the peak parking demand for every land use within a mixed-use development. This national research database forms the basis for the assumptions in the shared parking model. *Shared Parking, 2nd Edition* describes shared parking as follows:

“Shared parking is defined as parking space that can be used to serve two or more individual land uses without conflict or encroachment. The opportunity to implement shared parking is the result of two conditions:

- Variations in the peak accumulation of parked vehicles as the result of different activity patterns of adjacent or nearby land uses (by hour, by day, by season)
- Relationships among land use activities that result in people’s attraction to two or more land uses on a single auto trip to a given area or development.”

Most zoning codes are based upon peak parking demand ratios for individual land uses. While this appropriately recognizes that separate land uses generate different parking

demands on an individual basis, it does not reflect the fact that the combined peak parking demand, when a mixture of land uses shares the same parking supply, can be substantially less than the sum of the individual demands. For example, office uses peak in the early afternoon of a weekday, while a cinema peaks in the evening hours of a weekend. Thus, these two land uses are excellent candidates for sharing a parking supply between them.

Shared Parking Assumptions

The shared parking model utilizes a series of assumptions, in addition to the base ULI/ICSC and empirical data, to develop the parking demand model. For each land use in the Project, the shared parking analysis calculates the parking demand for that land use based on the seasonal, hourly, monthly, and weekday vs. weekend adjustment ratios set forth in *Shared Parking, 2nd Edition*. The resulting sum of the individual land use hourly parking demands represents the total parking demand for the entire site.

The following terms are used in the shared parking models. These variable factors are shown on subsequent tables of the model output.

Parking Demand Ratio. The parking demand ratio is utilized by the model to generate parking demand estimates for the selected land uses. The base rates were developed through ULI/ICSC's extensive nationwide research efforts; these base rates reflect a national average. For the purposes of this analysis, the base rates reflect the empirical data collected at the Project to achieve calibration to the local conditions.

Time of Day. The time of day factor is one of the key assumptions of the shared parking model. This factor reveals the hourly parking pattern of the analyzed land use; essentially, the peak demands are indicated by this factor. ULI/ICSC's research efforts have yielded comprehensive data that document the time of day factors for a large number of individual land uses. As the demand for each land use fluctuates over the course of the day, the ability to implement shared parking emerges.

Weekday vs. Weekend. Each shared parking analysis measured the parking demand on a weekday as well as on a Saturday. Research has indicated that a source for variation in parking demand can be traced to the difference between weekday and weekend demand.

Seasonal Variation. The shared parking analysis was based on the peak month of the year. The total parking demand of the Project was compared over the course of the year; the peak month's demand is reported.

Mode Split and Captive Market. One factor that affects the overall parking demand at a particular development is the number of residents, visitors, and employees that arrive by automobile. It is common that mixed-use projects and districts have patrons/visitors captured within the site itself based on the mixed-use nature of the Project. The mode split accounts for the number of residents, visitors, and employees that do not arrive by individual automobile or are internally captured (transit, walk, and other means).

Auto Occupancy. The Project's shared parking analysis used the national averages for auto occupancy, i.e., the typical number of passengers in each vehicle parking at the site for all land uses.

Parking Model Adjustments

The ULI/ICSC shared parking model was adjusted from default values for specific components that are relevant to the combined uses and expected utilization by patrons for this facility, and proximity to downtown Los Angeles where more transit and ride-share availability exists. These modifications are detailed below.

Mode Split. The mode split adjustment redefines the default value from 100% of all patrons using an individual vehicle to arrive and park, to a certain percentage who will arrive in a carpool with another person (those not assumed in the auto occupancy rate), walk, bike, bus, or use a shared-car service (i.e., Uber/Lyft).

- Hotel: 30% reduction (three out of 10 patrons arrive without a personal vehicle)
- Hotel Employees: 0% reduction (all employees)

Non-Captive Ratio. The non-captive ratio adjustment redefines the default value of 100% of patrons who arrive specifically for a particular land use, to a value that represents those who are already on site for other uses and will utilize a secondary component during that same trip without requiring an additional parking space. These reductions were applied only to guests and not to employees.

- Hotel: 0% reduction (assumes 100% primary use is hotel, therefore no reductions applied for the hotel component)

Time-of-Day. The shared parking model provides empirical data for the time-of-day patterns. Therefore, the model was not adjusted for any Project components.

Shared Parking Model Results

Table 1 summarizes the results of the shared parking demand model and shows the mode split and non-captive ratio adjustments described above. As shown, the highest demand peak weekday and weekend parking demand is:

Weekday (8:00 AM/June) = 412 parking spaces
Weekend (11:00 PM/June) = 443 parking spaces

Charts 1-3 provide supplemental data to summarize month-by-month demand throughout the year and hourly parking demand throughout the day.

The value of 443 parking spaces equates to approximately 0.60 spaces per room.

Comparison to Similar Projects

Albany Hotel – Competitive Hotels Parking Analysis (CBRE, Inc., April 5, 2019), provided in the Attachment, identifies six downtown/downtown-adjacent hotels with between 268-1,358 rooms and associated parking supplies. The ratio of parking ranged from 0.2-0.9 stalls per room, with a weighted average of 0.5 stalls per room. The analysis concluded that hotel developments within the 0.5 stalls/room average would adequately serve these developments.

Based on the shared parking analysis, the Project would remain above the 0.5 average expectations for its proximity to the downtown core.

SUMMARY

- The Project consists of a hotel with ancillary uses, including retail, restaurant, meeting rooms, and office. These ancillary uses are intended to support the hotel and do not necessarily require dedicated parking spaces.
- The ULI/CSC shared parking model was utilized to analyze the proposed land use program. The shared parking model is not based on City Municipal Code parking, but rather empirical data collected over decades for mixed use developments.
- Modifications to the shared parking model include adjustments to the mode split (i.e., travel type) and the non-captive ratio (i.e., parked vehicles present for more than a single land use component).
- The weekday peak parking demand for the Project, which occurs at 8:00 AM during June, is 412 parking spaces that may be shared between varying land use components.
- The weekend peak parking demand for the Project, which occurs at 11:00 PM during June, is 443 parking spaces that may be shared between varying land use components.
- The parking supply ratio is above the expected rate referenced in the CBRE, Inc. study.

**TABLE 1
SHARED PARKING DEMAND SUMMARY
1330 W. Pico Blvd**

PEAK MONTH: JUNE -- PEAK PERIOD: 11 PM, WEEKEND

Projected Parking Supply:			Weekday					Weekend					Weekday			Weekend		
Land Use	Project Data		Base Rate	Mode Adj	Non-Captive Ratio	Project Rate	Unit	Base Rate	Mode Adj	Non-Captive Ratio	Project Rate	Unit	Peak Hr Adj	Peak Mo Adj	Estimated Parking Demand	Peak Hr Adj	Peak Mo Adj	Estimated Parking Demand
	Quantity	Unit											8 AM	June		11 PM	June	
Hotel-Business	730	rooms	0.60	0.70	1.00	0.42	/rooms	0.75	0.70	1.00	0.53	/rooms	0.80	1.00	245	1.00	1.00	384
Employee			0.25	1.00	1.00	0.25	/rooms	0.18	1.00	1.00	0.18	/rooms	0.90	1.00	167	0.45	1.00	59
												Customer		245	Customer		384	
												Employee		167	Employee		59	
												Reserved		0	Reserved		0	
												Total		412	Total		443	

ULI base data have been modified from default values.

CHART 1
WEEKDAY MONTH-BY-MONTH ESTIMATED PARKING DEMAND

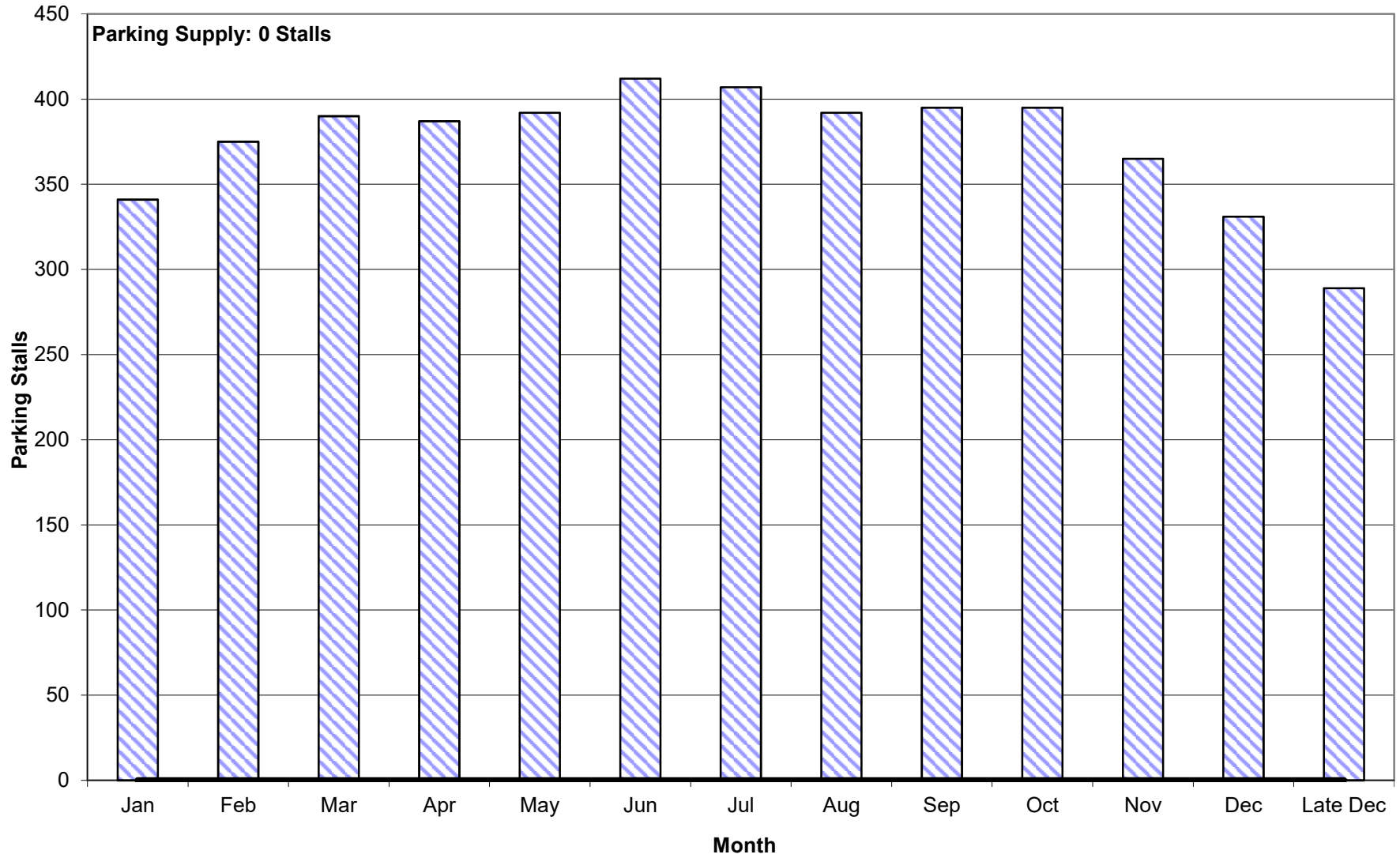


CHART 2
WEEKEND MONTH-BY-MONTH ESTIMATED PARKING DEMAND

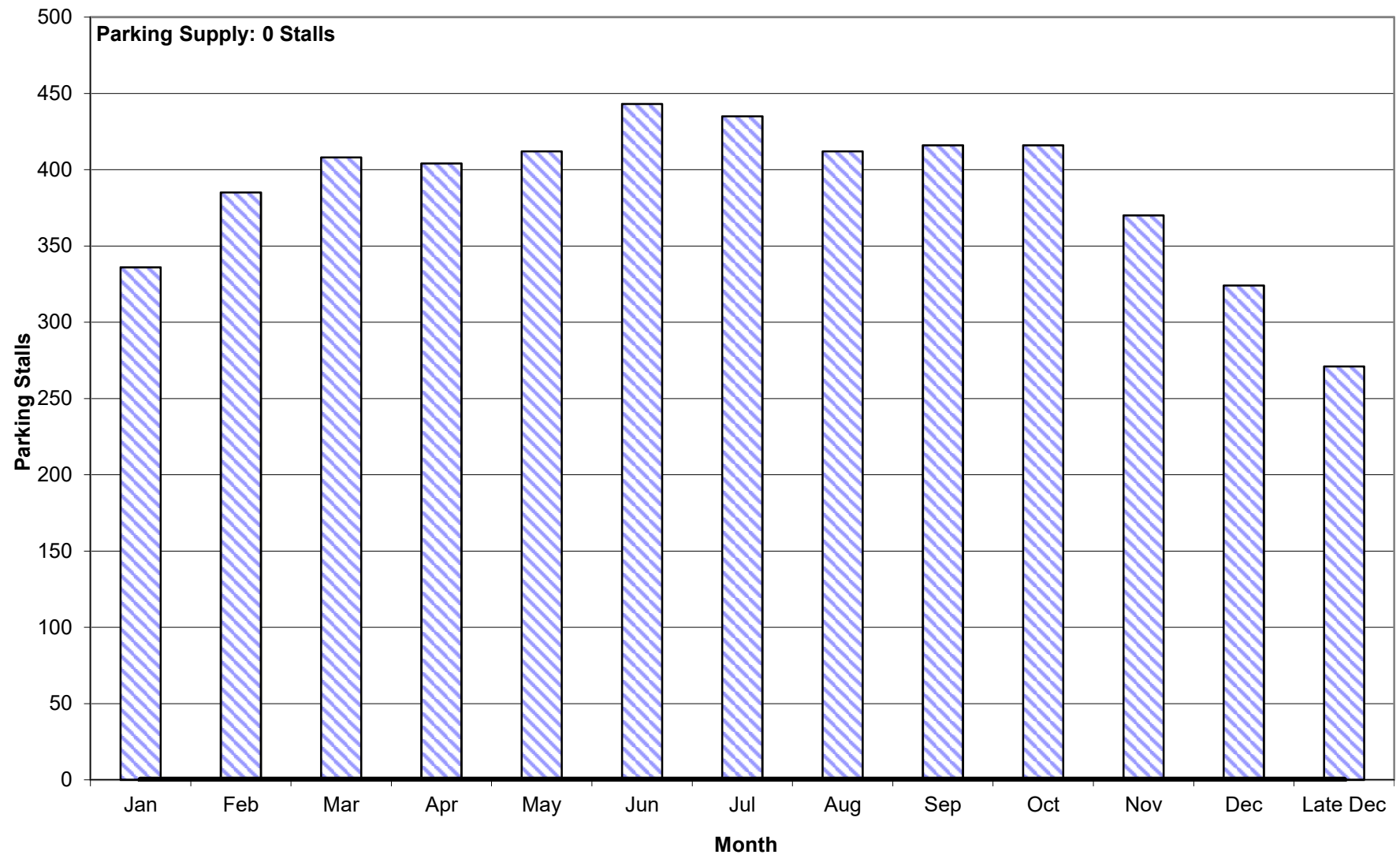
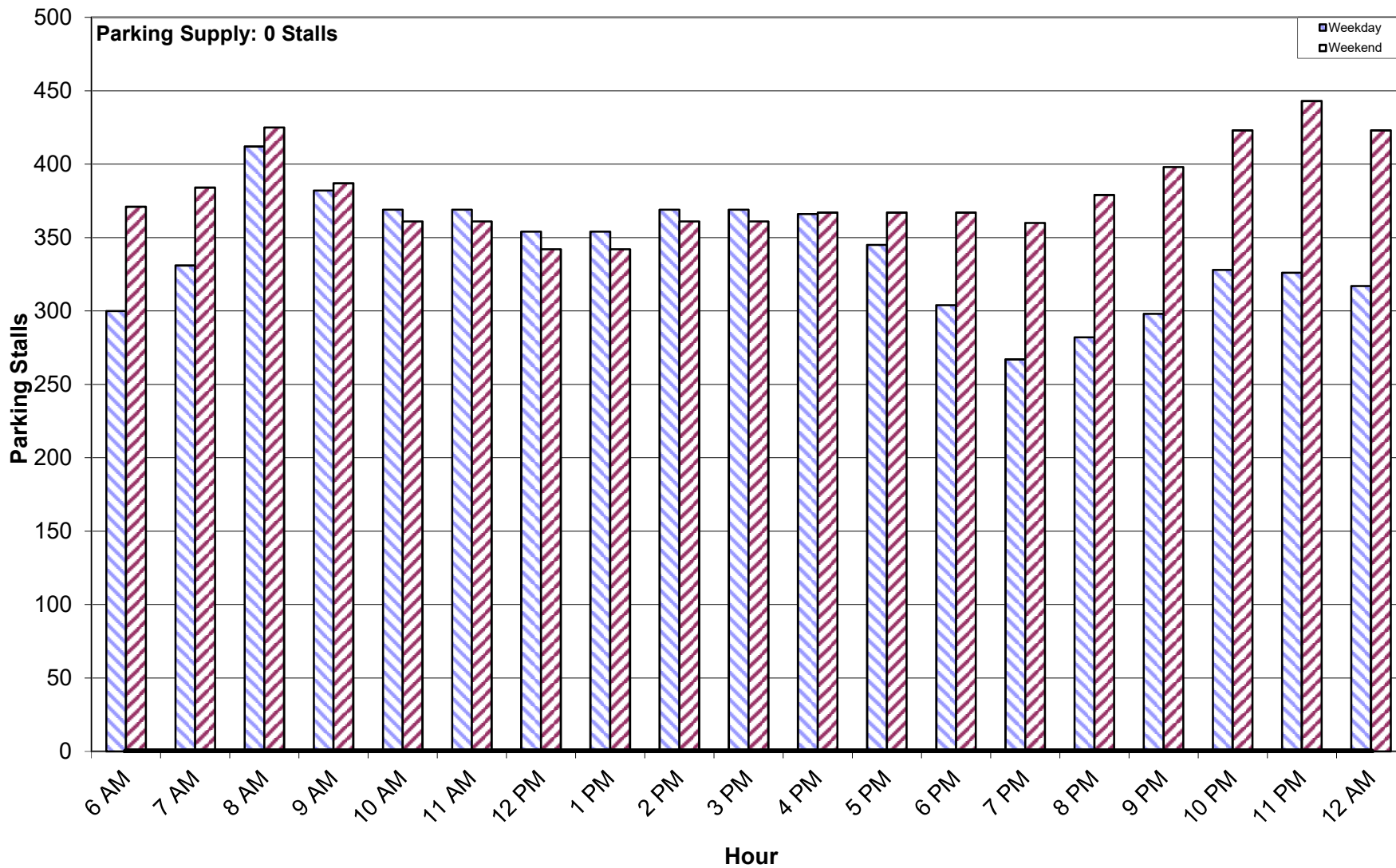


CHART 3
PEAK MONTH DAILY PARKING DEMAND BY HOUR



Attachment

**Albany Hotel – Competitive Hotels Parking Analysis
(CBRE, Inc., April 5, 2019)**

Brandon J. Feighner
Senior Director
CBRE Hotels Advisory

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April 5, 2019

Mr. David Garcia
Sandstone Properties, Inc.
10877 Wilshire Boulevard
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Los Angeles, California 90024

Re: *Albany Hotel – Competitive Hotels Parking Analysis*

Dear Mr. Garcia:

The following is a brief letter summarizing our findings relative to the number of parking stalls provided at large hotels with over 250 guest rooms in Downtown Los Angeles. We have conducted this survey to assist you in your analysis of the number of parking spaces to be provided at the proposed 730-room hotel, The Albany, located at 1330 West Pico Boulevard in the City of Los Angeles, California.

It is our understanding that you are assessing a reduction of the number of parking stalls at the proposed subject hotel from 800 stalls to approximately 540, equivalent to a change in the ratio of parking stalls to rooms of roughly 1.1 to 0.7. We are of the opinion that the proposed reduction in parking stalls will not adversely impact the operational performance of The Albany relative to comparable Downtown Los Angeles hotels, given that a ratio of rooms to parking stalls of 0.7 is towards the upper range of the Downtown Los Angeles hotel surveyed. Contained below is a table summarizing the ratio of parking stalls guest rooms to for six Downtown Los Angeles Hotels, followed by a brief analysis of our findings.

Ratio of Parking Stalls to Rooms at Selected Downtown Los Angeles Hotels			
Property	Number of Parking Stalls	Number of Rooms	Ratio of Parking Stalls to Rooms
Westin Bonaventure	480	1,358	0.4
JW Marriott L.A. Live and Ritz Carlton Los Angeles	875	1,001	0.9
LA Hotel Downtown	238	469	0.5
DoubleTree Downtown Los Angeles	202	434	0.5
Hotel Indigo	133	350	0.4
Hotel Figueroa	65	268	0.2
Total/Weighted Average	1,993	3,880	0.5

Source: CBRE Hotels

The Downtown Los Angeles Hotels surveyed yielded a ratio of parking stalls to guest rooms of 0.2 to 0.9, for a weighted average of 0.5. As noted previously, 540 parking stalls at the proposed subject hotel would produce a parking stalls to rooms ratio of 0.7, which is above the weighted average of the hotels surveyed, and second only to the ratio at the dual brand JW Marriott L.A. Live and Ritz Carlton Los Angeles hotels of 0.9. Contained below is a summary of the various parking arrangements in place at the hotels surveyed:

JW Marriott L.A. LIVE/ Ritz Carlton Los Angeles (Total rooms JW: 878, Ritz-Carlton: 123) - A total of 700 parking spaces are provided in three levels of subterranean parking in the Olympic West Garage. The hotels offer valet only parking to their guests. The subject has an agreement for 175 offsite parking spaces for employee parking across Hope Street.

Westin Bonaventure Hotel & Suites (Total rooms: 1,358) – The Westin Bonaventure provides 480 subterranean parking spaces.

Hotel Figueroa (Total rooms: 268) – The Hotel Figueroa provides 65 surface lot parking spaces.

Hotel Indigo (Total rooms: 350) – The Hotel Indigo provides 133 below grade valet parking spaces.

DoubleTree Downtown Los Angeles (Total rooms: 434) – The DoubleTree offers 202 below grade valet parking spaces.

LA Hotel Downtown (Total rooms: 469) – The LA Hotel Downtown provides 138 parking spaces in a subterranean garage, on site, and leases 100 spaces from the World Trade Center building, across the street.

Thank you for the opportunity to work on this assignment. Please contact us if we can be of any assistance in the interpretation of our findings.

Sincerely,



Brandon Feighner
Senior Director
CBRE Hotels Advisory

TERMS AND CONDITIONS

1. CBRE, Inc. through its advisor (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
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 - (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
 - (ii) If any, existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this report and, therefore, makes no representations relative to the condition of improvements. CBRE advisors are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
 - (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
 - (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
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 - (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
 - (vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
 - (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently or super-efficiently.
 - (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
 - (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.
 - (xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no

TERMS AND CONDITIONS

(continued)

responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

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11. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.
12. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.

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