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TO: CITY OF EAST LANSING PLANNING COMMISSION

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MEMO RE: PARKING FOR INFILL, MIXED-USE STUDENT HOUSING AT 1010 EAST GRAND RIVER AVENUE

Core Spaces is a vertically integrated company focused on acquiring, developing, and managing the best real estate in educational markets. From world-class amenities and progressive design to impeccable client service with a community focus, we create spaces where people want to be. Our projects are thoughtfully designed, developed, and managed, creating extraordinary lifestyle experiences that are as unique as their respective cities.

Since 1999, CORE has specialized in pedestrian-oriented developments on college campuses across the country. With the understanding that walkability and proximity contribute greatly to the quality of life of college students, the principals at CORE have pioneered the development of infill, high-density student housing projects in prime, urban-esque locations adjacent to campus, public transit options, restaurants and retail.

Our experience developing these projects has provided us the opportunity to see a lifestyle shift over the last decade. In our projects across the country, the students that make up CORE's tenant base are largely moving away from car ownership towards a more urban lifestyle built around alternate modes of transportation and walkability. The community benefits of this shift are vast, ranging from reduced traffic & pollution to streetscape and landscape enhancements that improve the pedestrian experience. We believe that walkability is the most important attribute for our developments as campuses and communities strive to find sustainable solutions for the future. Smart growth initiatives that promote affordable, walkable development that does not require car ownership are essential to achieving long-term success in cities large and small.

Macro Parking Trends

Reduced reliance on a personal vehicle is a strikingly consistent trend across the country, especially on college campuses. The increasing availability & popularity of alternate modes of transportation (mass transit, ridesharing, bicycles, mopeds, etc.) and the rising cost burdens (to the student, the parent, and the municipality) of keeping an "underutilized car" at campus are the major forces behind this waning demand for personal vehicles. This trend will only be more pronounced as time goes on. In addition to the cost, the generational preference of millennials for more instant gratification has amplified this shift. The younger population eschews waiting – whether for a cab to drive by, a parking space to open up, or a traffic jam to disperse. This can be seen through the rapid adoption of on-demand ridesharing services like Uber, as proven by the 16-24-year-old demographic making up 37% of Uber's ridership.

Mirroring our first-hand experience developing and managing properties with reduced parking ratios, the Federal Highway Administration (FHWA) drew similar conclusions in the “Right Size Parking” (RSP) project in 2011, which was presented in the Institute of Transportation Engineers (ITE) Journal in 2013 (“Do Land Use, Transit, and Walk Access Affect Residential Parking Demand?”, ITE Journal, February 2013). The Right Size Parking program helped quantify the relationship between land use, pedestrian walkability, transit availability, and parking demand in urban areas. Among the key findings were:

“...over-building of parking supply leads to increased automobile ownership, vehicle miles traveled, congestion, and housing costs. In addition, it presents barriers to smart growth and efficient transit service...Parking supply and pricing often have a direct impact on a jurisdiction’s ability to create compact, healthy communities.”

The article “Are TOD’s Overparked?” further refines this relationship:

“It is because of such concerns that municipal parking standards for TOD housing appear on the high side, which probably in turn induces further car ownership and usage – i.e., the classical vicious cycle of supply and demand feeding off each other...parking demand generally fell as the walking distance to [transit] shortened...Through a combination of proximity advantages and lifestyle predispositions, living near transit can de-generate vehicle trips. And with the option of car-sharing, it can likely reduce parking demands as well.”

A right-sized parking program can yield numerous benefits that are highly valued in college communities including reduced congestion, reduced alcohol related auto incidents, focused programs and spending for outdoor amenities, and a healthier community.

Analysis of the Hub at East Lansing

CORE prides itself in creating a unique and tailored product in every market. Each Hub development is designed to fit within the fabric of the community – reflective of the architecture and nature of its surroundings. Our tailored focus goes beyond aesthetics - the unit mix, amenities, management, retail, and parking are all personalized to be market specific. We find that tenants in our building don’t need or *want* to bring their cars to campus due to our location. Often the best comparison for parking demand is the dormitory parking demand. According to the Michigan State University Master Plan, there are 4,600 student parking spaces for the 17,500 students that live on-campus, or a 26.3% parking ratio.

Similar to many of the markets in which we have developed, East Lansing has a high percentage of students that do not use a car as their primary mode of transportation. CORE engaged The Black Sheep, a third-party survey consultant, to survey 398 students and better understand the parking demands around campus. Only 10% of the students indicated that their car was the primary mode of transportation each day. Nearly half of the students walk to class, and the remaining 40% either bike, take the bus, or ride a moped. The primary use of a car (58% of survey respondents) was for going to the grocery store. Our location provides immediate access to the CATA bus route 01, which residents can ride just a few minutes in either direction to be shopping at Kroger, Whole Foods, and other options.

As previously stated, we believe that our Hub at East Lansing development shares many of the same characteristics as our prior developments. Exhibit 1 provides parking data on all of CORE’s urban developments. Across the portfolio, the average parking ratio is coincidentally 26.2%, net of retail

spaces. Removing the one outlier project in Tuscaloosa, the portfolio average drops to 20.5%. Just as important to note is that only one project, the Hub at Tucson, has excess parking demand. Factoring in the waitlist for the Hub at Tucson lead us to estimate the real parking demand there to be 21%.

The Hub at East Lansing is a perfect location for a pedestrian-oriented development due to its location to transit and walking distance to restaurants, retail, and Michigan State University campus & Greek life. Based on Core's vast experience across the country and in many different markets, the proposed parking provides ample parking to meet the needs of the residents and retail customers. The mix of residential, retail, and a pedestrian-oriented approach to parking ensure that the Hub will be an outstanding addition to East Lansing's urban core.

References:

- a. "Do Land Use, Transit, and Walk Access Affect Residential Parking Demand?"
- b. "Lesson's from LA's Parking Guru" – The Planning Report, April 2015
- c. "Are TOD's Overparked?"
- d. "The High Cost of Free Parking" – Donald C. Shoup, 1997
- e. "Transportation & the New Generation: Why Young People are Driving Less and What It Means for Transportation Policy" – Davis & Dutzik, 2012

EXHIBIT 1

**PARKING STATISTICS
FOR CORE SPACES INFILL DEVELOPMENTS**

**PARKING RATIOS BY PROJECT
CORE SPACES GROUND UP DEVELOPMENTS**

Campus		Project	Year Built	Retail	Units	Beds	Land Size (SF)	Land Size (Acres)	Parking Spaces	% Parking / Bed
Arizona		The Hub at Tucson 14 Stories	2014	10,000	164	594	33,250	0.76	98	16.5%
Arizona		The Hub 2 at Tucson 6 Stories	2016	None	104	311	36,575	0.84	65	20.9%
Wisconsin		The Hub at Madison 14 Stories	2014	10,000	313	963	70,711	1.62	161	16.7%
Wisconsin		The James (Hub 2) 14 Stories	2017	10,000	367	850	36,575	0.84	152	17.9%
Arizona State		The Hub at Tempe 19 Stories	2013	21,480	269	637	70,572	1.62	190 (21 Retail Spaces)	29.8%
Oregon		The Hub at Eugene 12 Stories	2014	2,100	183	513	26,368	0.61	68 (includes Retail)	13.3%

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Campus		Project	Year Built	Retail	Units	Beds	Land Size (SF)	Land Size (Acres)	Parking Spaces	% Parking / Bed
Washington		The Hub at Seattle 6 Stories	2017	12,300	111	248	26,051	0.60	38 (0 Retail Parking)	15.3%
Michigan		The Hub Ann Arbor (515 Huron St) 12 Stories	2018		114	304	25,871	0.59	85	28.0%
Minnesota		The Hub at Minneapolis, Minneapolis, MN 27 Stories	2019	10,658	407	707	30,252	0.69	144 46 Leased to church	20.4%
Northern Arizona		The Hub at Flagstaff (Mike's Pike) 5 Stories	2018	7,304	202	591	113,921	2.62	210 (21 Retail Spaces)	35.5%
Illinois		1008 S. 4th Street, Champaign, IL 5 Stories	2016		66	158	27,430	0.63	44	27.8%
Illinois		908 S. 1st Street, Champaign, IL 5 Stories	2016		68	96	19,096	0.44	25	26.0%

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CORE SPACES GROUND UP DEVELOPMENTS**

Campus		Project	Year Built	Retail	Units	Beds	Land Size (SF)	Land Size (Acres)	Parking Spaces	% Parking / Bed
Purdue		The Hub at West Lafayette (134 Pierce St) 10 Stories	2018	None	289	599	35,940	0.83	178	29.7%
Alabama		The Hub at Tuscaloosa (519 Red Drew) 6 Stories	2018	None	187	481	61,855	1.42	412	85.7%
Portland State		Collective, Portland, OR	2019	35,000	422	577	44,746	1.03	57	9.9%
									Portfolio Average	26.2%