May 5, 2016

Mr. Scott Athearn
Dollinger Properties Inc.
555 Twin Dolphin Drive, Suite 600
Redwood City, CA 95131

Dear Scott,

The following is Greystar Real Estate Partners' analysis and opinion regarding the residential parking count and ratio proposed at Lincoln Landing in Hayward, CA.

**The demographics**

Based on demographic provided by The Concord Group for the Hayward and surrounding areas, the renter profile at Lincoln Landing will be skewed towards larger household sizes, which will require more parking. Hayward has a population of 191,000 and approximately 61,000 households resulting in an average household size of 3.15 persons. Furthermore, 79% of the households have two or more people in the household and approximately 50% of Hayward residents rent verse owning their home. Based on the renter profile in Hayward of 56% singles and couples, 15% families and 28% empty nesters, we would expect this demographic profile to be reflective of the renter profile at Lincoln Landing. Based on these demographics, it is anticipated that a large number of the apartments will have two driver-age adults, thereby requiring two spaces for most of the household with couples, families and empty nesters. The proposed residential parking ratio of 1.5:1 is reasonable given this anticipated renter profile.

**Disadvantage of the Location of Existing Parking Structure**

The existing parking structure which will be retained at the south side of the property has 579 spaces. Although this is a significant number of spaces, much of the parking in the structure will not be used as it is not in proximity to almost half of the apartments in the Hazel St. building located on the north end of the site. The distance between the two structures is too far, offers no clear, covered pathway and is not conducive to the expectation of renter's for a safe, direct access from parking to apartment. Virtually none of the residents in the Hazel St. building will seek parking in that structure. Rather, they will use the 284 parking spaces in the two-level parking structure below the podium in the Hazel Street building. This will offer a direct, secured access from the parking to resident's apartment. It should be noted that the parking ratio in the north building is 1.37:1. At this ratio, it can be argued that the Hazel Street building is under-parked.

**Need for Visitor Parking**

A critical part of any successful multifamily community is how it provides for visitor parking. Given there is limited street parking on Hazel Street and Civic Center Drive, a visitor must find the closest street parking available if not provided visitor parking onsite. This will have a negative impact on the residential streets immediately adjacent to the property. The existing parking structure on the south side of the property can offer an excellent alternative for guest parking. This will alleviate parking pressure on neighboring streets and minimize the impact on those neighborhoods.

**Need for Plentiful Parking when Retail Parking is Adjacent**

Typically when there is a large retail presence with dedicated parking within a multifamily development, the management of the bleed over of residential and guest parking into the retail parking areas can be a significant challenge. When plentiful residential and guest parking is designed into the property, these issues are greatly diminished. Currently, the property is offering 1.5:1 parking ratio or 714 spaces for the residential component. This fact, along with proper management of the retail parking will minimize the impact of bleed over of residential and guest parking demand on the retail parking.

Given these factors, it is recommended that the parking plan proposed at 714 parking spaces at parking ratio of 1.5:1 be approved for Lincoln Landing.

Please let me know if you have any questions.

Sincerely,

Brian Gagan
Managing Director-West Region

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**LINCOLN LANDING**
**HAYWARD, CA**

**RE: PARKING DEMAND ANALYSIS**

The following analysis demonstrates (i) that the retail parking allocation is barely adequate to service retailers needs; and (ii) that being over-parked by 200 stalls is a misnomer and is really due to the reuse of an existing parking structure:

**(i)** The retail parking at Lincoln Landing amounts to 279 stalls. With 80,500 SF of retail, the overall corresponding ratio equates to 3.46 stalls per 1,000 SF of retail. The table below demonstrates the average standard for retailer needs versus what the retail portion of the project will allow. Please see attached EXHIBIT A, which outlines best parking practices per the MTC Toolbox/Handbook, for average standard of retailer needs.

| **MAJOR 1 & 2** | Square Feet | Acceptable Ratio | Parking Stalls Needed | % of Retail Occupied | Parking Stalls Allocated Per Existing Plan |
|---|---|---|---|---|---|
| Grocery | 35,000 | 5 Stalls/1,000sf | 175 | 43% | 120 |
| Junior Anchor | 15,000 | 2.5 Stalls/1,000sf | 38 | 19% | 54 |

| **PAD 1** | Square Feet | Acceptable Ratio | Parking Stalls Needed | % of Retail Occupied | Parking Stalls Allocated Per Existing Plan |
|---|---|---|---|---|---|
| Restaurant | 2,166 | 4 Stalls/1,000sf | 9 | 2.7% | 8 |
| Retailer | 2,166 | 2 Stalls/1,000sf | 4 | 2.7% | 8 |
| Restaurant | 2,166 | 4 Stalls/1,000sf | 9 | 2.7% | 8 |

| **PAD 2** | Square Feet | Acceptable Ratio | Parking Stalls Needed | % of Retail Occupied | Parking Stalls Allocated Per Existing Plan |
|---|---|---|---|---|---|
| Restaurant | 2,000 | 4 Stalls/1,000sf | 8 | 2.5% | 7 |
| Retailer | 2,000 | 2 Stalls/1,000sf | 4 | 2.5% | 7 |
| Retailer | 2,000 | 2 Stalls/1,000sf | 4 | 2.5% | 7 |
| Restaurant | 2,000 | 4 Stalls/1,000sf | 8 | 2.5% | 7 |

| **PAD 3** | Square Feet | Acceptable Ratio | Parking Stalls Needed | % of Retail Occupied | Parking Stalls Allocated Per Existing Plan |
|---|---|---|---|---|---|
| Restaurant | 2,000 | 4 Stalls/1,000sf | 8 | 2.5% | 7 |
| Retailer | 2,000 | 2 Stalls/1,000sf | 4 | 2.5% | 7 |
| Retailer | 2,000 | 2 Stalls/1,000sf | 4 | 2.5% | 7 |

| **STORES** | Square Feet | Acceptable Ratio | Parking Stalls Needed | % of Retail Occupied | Parking Stalls Allocated Per Existing Plan |
|---|---|---|---|---|---|
| Restaurant | 2,000 | 4 Stalls/1,000sf | 8 | 2.5% | 7 |
| Retailer | 2,000 | 2 Stalls/1,000sf | 4 | 2.5% | 7 |
| Restaurant | 2,000 | 2 Stalls/1,000sf | 8 | 2.5% | 7 |
| Retailer | 4,000 | 2 Stalls/1,000sf | 8 | 5.0% | 15 |

| **TOTAL NUMBERS** | Square Feet | | Parking Stalls Needed | % of Retail Occupied | Parking Stalls Allocated Per Existing Plan |
|---|---|---|---|---|---|
| | 80,500 | | 303 | 100% | 279 |

The retail portion of the parking is actually deficient by about 24 stalls per a very common retailer standard. While in a more suburban environment this parking deficiency very well could terminate the project. At Lincoln Landing however, in a more Suburban Center / Town Center community, we are reducing the off-street parking availability to the point whereby the retail parking will be barely adequate. The case to be made to retailers concerned with parking deficiencies at Lincoln Landing is that we are adopting requirements appropriate for mixed-use, walkable, and transit-oriented developments. Despite working very hard to make the case to retailers and actually leasing the retail space, to consider any further reduction of parking for the retailers here would be absolutely fatal to the viability and long-term success of the commercial component.

**(ii)** The Hazel side parking availability is 321 stalls. With 210 residential units, the code would require 315 stalls. The Hazel side of the project is technically over-parked by about 6 stalls. With 50 residential units larger than one bedroom, this overage may in fact be helpful, and actually be helpful to Prospect Hill neighbors who have expressed very sincere and strong concern that residential parkers will infiltrate their neighborhood.

The City Center side parking availability is 610 stalls. With 267 residential units, the code would require 400 stalls. The project is clearly over-parked on the City Center side, but this is also clearly a function of the existing parking garage. We are not adding additional parking stalls on this side of the project simply to drive vehicular traffic… we have the additional stalls as an inherent function of the site.

**CONCLUSION**

There is no sea of parking fronting Foothill Blvd. In fact, +80% of the parking is buried about 200 feet off of Foothill Blvd in garages obscured by a combination of buildings, gas station, landscape and hardscape. The excess parking provided is not an effort to encourage vehicular traffic, rather it is a symptom of existing conditions, but in all likelihood benefits the project long-term. The retail parking deficiency actually encourages walkability and contributes to the urban nature of the project.

**EXHIBIT A**

**METROPOLITAN TRANSPORTATION COMMISSION**
**TOOLBOX / HANDBOOK**

**PARKING BEST PRACTICES**

## REPRESENTATIVE PARKING REQUIREMENTS

*(in spaces per unit)*

Location Types

| Land Use | Unit | Regional Center | | City Center Urban Neighborhoods | | Suburban Center/ Town Center | | Transit Neighborhood | | Rural/Small Town | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Low | High | Low | High | Low | High | Low | High | Low | High |
| Residential | Dwelling | 0.25 | 1.00 | 0.50 | 1.25 | 1.00 | 1.50 | 1.25 | 2.25 | 1.50 | 2.50 |
| Office | 1000 sq.ft | 0.10 | 0.75 | 0.25 | 1.25 | 2.00 | 3.00 | 2.25 | 3.33 | 3.00 | 4.00 |
| Retail | 1000 sq.ft | 0.50 | 1.00 | 1.00 | 2.00 | 1.50 | 2.50 | 2.50 | 4.00 | 3.00 | 4.00 |
| Restaurant | 1000 sq.ft | 1.00 | 2.00 | 1.00 | 3.00 | 3.00 | 5.00 | 4.00 | 8.00 | 8.00 | 12.00 |