



REQUEST FOR TRANSPORTATION COMMISSION ACTION

MEETING DATE: FEBRUARY 4, 2020

TITLE: IRVINE BUSINESS COMPLEX RETAIL TRIP GENERATION STUDY

for *Jaime Bourgeois*
Director of Public Works and Transportation

RECOMMENDED ACTIONS

Recommend City Council amend the Zoning Ordinance to reduce the Irvine Business Complex retail Development Intensity Value rates by 38 percent, based upon the Irvine Business Complex Retail Trip Generation Study.

EXECUTIVE SUMMARY

A transportation mitigation fee program was established in the early 1990s to fund area-wide circulation improvements within the Irvine Business Complex (IBC), and to assist in the transition from a traditional suburban industrial park to a residential and mixed-use environment. The IBC Vision Plan was adopted in 2010 to facilitate the continued evolution of the IBC area into a fully mixed-use community. Planning Commission and City Council expressed a desire to encourage additional retail development to serve IBC residents and directed staff to evaluate incentives to do so. As such, the IBC Retail and Service Opportunities Analysis was prepared. This study identified that current policy may be hindering the development of retail, one of which is a high retail Development Intensity Value (DIV) rate. The DIV rates are used to calculate IBC developer fees and Transfer of Development Rights (TDRs) quantities. The daily, morning, and evening retail DIV rates used today were developed in the early 1990s and were based on industry standard trip generation rates published at the time for various retail-type uses. Therefore, staff conducted an analysis of the retail DIV rates and recommends a 38 percent reduction to each rate. The recommended action will provide a recommendation to City Council to amend the Zoning Ordinance to reduce the IBC DIV rates for retail uses. If the Zoning Ordinance is amended to reduce the retail DIV rates, this may encourage retail development by lowering the fees and costs associated with retail development.

ANALYSIS

In 2016, Planning Commission and City Council expressed a desire to encourage additional retail development to serve IBC residents and directed staff to evaluate incentives. An IBC Retail Market Demand and Incentives Analysis was prepared in 2017, with an update in 2018, called the IBC Retail and Service Opportunities Analysis; both indicated that additional retail uses in the IBC area would be beneficial. Various incentives were recommended to increase retail uses.

On March 21, 2019, a status update of the IBC Vision Plan, including the 2018 Analysis, was presented to Planning Commission by Community Development staff. At that meeting, Planning Commission discussed the IBC DIV rates, and in particular, they discussed their concerns with the IBC retail DIV rates. There was discussion that many of the trips to, and from, the retail sites in the IBC area may be occurring from within the IBC area, while non-retail land uses more likely generate trips from further away. Planning Commission agreed with staff's recommendation to re-evaluate the IBC retail DIV rates.

Transportation staff, in consultation with Community Development staff, hired a consultant to evaluate the IBC retail DIV rates. The intent of the analysis was to determine if the IBC retail DIV rates are reasonable rates to apply based on current travel behavior. The retail DIV rates used today have not changed since their adoption by City Council in 1992, and were based on industry standard trip generation rates for various retail-type uses published in the early 1990s.

The IBC Retail Trip Generation Study (Study) is included as Attachment 1. The Study first compares the retail trip generation rates published in the 1990s, which were used to establish the retail DIV rates to those retail rates published today. The rates published today are significantly lower, suggesting that further investigation to support DIV rate reductions is justified. Second, the Study documents trip generation rates calculated based on actual retail center driveway counts collected at three sample retail sites located in the IBC. It is demonstrated that these calculated rates based on actual driveway counts are also lower than the retail trip generation rates published in the 1990s. This provides further support that retail DIV rate reductions are justified.

Neither of the analyses described above considers discounts for pass-by trips. Pass-by trips are those that would already occur on the roadway, but include a detour into, and out of, a retail site. For example, someone stopping to get coffee on the way to work in the morning would already be driving from home to work, but they then detour into a retail site to get coffee. Although that trip is counted in a driveway count as part of the total trip generation, this is not a new trip on the road network, but rather a pass-by trip.

Three published rates for pass-by trips were reviewed as part of the Study. This included the National Institute of Transportation Engineer's rate, which isn't specific to one region, 2002 rates specific to the San Diego area published by the San Diego Association of Governments, and rates specific to the Los Angeles area published by the City of Los Angeles in 2016. A review of existing trips in the IBC area, using anonymized GPS data, was also completed. This review looked at the length of trips starting or ending in the IBC for various land use types. It confirmed that the total distance (or Vehicle Miles Traveled) for trips associated with the IBC retail sites is significantly lower than trip distances for office and residential uses. Based on a combination of these data sources, the Study recommends that a 38 percent pass-by reduction would be appropriate and reasonable to assume for the IBC retail uses. Accordingly, the IBC retail DIV rates would change as shown in Table 1.

TABLE 1			
IBC Recommended Retail DIV Rates*			
	Daily	Morning Peak Hour	Evening Peak Hour
Existing Rates	84.00	2.54	6.96
Recommended Rates	52.08	1.57	4.32

* All rates are based on 1,000 square feet of retail development

If the Zoning Ordinance is amended to reduce the retail DIV rates, this may encourage retail development by lowering the fees and costs associated with retail development. The recommended action will provide a recommendation to City Council to amend the Zoning Ordinance to reduce the retail DIV rates by 38 percent. This may assist in accelerating the rate of retail development; however, the overall trip caps and intensity would still control the development in the area and therefore, there would not be an overall increase in the total development.

ALTERNATIVES CONSIDERED

Transportation Commission could provide direction to not modify the retail DIV rate. Staff does not recommend this alternative, because reducing the retail DIV rates is expected to facilitate much-needed additional retail development in the IBC.

FINANCIAL IMPACT

An amendment to the Zoning Ordinance could be completed by Community Development staff using Community Development operations budget funds.

REPORT PREPARED BY Melissa Dugan, Supervising Transportation Analyst

ATTACHMENTS

1. IBC Retail Trip Generation Study