Overview of Key Background Information

» Downtown profit and loss
» Traffic and parking
» Hotel financial feasibility
» Hotel design considerations
» Conference facility considerations
» Retail uses
» Housing
» Open space
» Pedestrian circulation
» Skyways/walkways
» Urban fabric
Consultant and City Experts

- Greg Davidson, NBS
- Cheri Sheets, City Engineer
- Russ Branson, PFM
- Burton Miller, Hornberger + Worstell
- Suzanne Mellen, HVS
- David Zehnder, EPS
- Mike Pyatok, Pyatok Architects
- Greg Tung, Freedman Tung + Sasaki
Downtown Expenses $1.76M
- Police
- Fire
- Maintenance
- Landscaping
- Pavement
- Claims
- Parking Garage

Downtown Revenue $1.345M
- Property Tax
- Sales Tax
- Business License Tax

Difference $400,000

Even the Outlet Malls only generate excess revenue of about $1 million per year.
Traffic After SR 84 Relocated

- Downtown traffic has remained constant, and has decreased slightly
- Two key downtown intersections operate at Level of Service D (45 seconds delay):
  - Railroad Ave and Livermore Ave
  - Maple St and First St
- Remaining downtown intersections operate at acceptable levels
## Existing Parking Use

<table>
<thead>
<tr>
<th>Parking Type</th>
<th>Thursday Noon to 1</th>
<th>Saturday 7 to 8 pm</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Inventory</td>
<td>Demand</td>
</tr>
<tr>
<td>On-Street</td>
<td>1,735</td>
<td>1,086</td>
</tr>
<tr>
<td>Off-Street (Public)</td>
<td>1,140</td>
<td>676</td>
</tr>
<tr>
<td>Off-Street (Private)</td>
<td>2,422</td>
<td>1,131</td>
</tr>
<tr>
<td>Total</td>
<td>5,297</td>
<td>2,893</td>
</tr>
</tbody>
</table>

Note: The two hours analyzed in the parking study were chosen because they represent the times on a weekday and a weekend with the highest parking demand.
Existing Parking Use

- Peak core parking is highly utilized.
- Parking is generally available on 2nd, 3rd, and 4th Streets.

Public lots: 94% occupied
Public garage: 75% occupied

On-street: 91% occupied
Parking Displacement

• Development will displace 565 Spaces
  ➢ 293 Paved Spaces Livermore Village Site
  ➢ 209 Unpaved Livermore Village Site
  ➢ 63 Paved Spaces on East Side of Livermore Ave

• 63-space Madden parking lot associated with Uncle Yu’s will remain
**Parking Needs**

Lennar and Presidio proposal required the following parking spaces per City requirements:

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Quantity</th>
<th>Parking Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel</td>
<td>135 rooms</td>
<td>149</td>
</tr>
<tr>
<td>Retail</td>
<td>16,000 SF</td>
<td>53</td>
</tr>
<tr>
<td>Restaurant</td>
<td>6,000 SF</td>
<td>20</td>
</tr>
<tr>
<td>Conference Center</td>
<td>4,000 SF</td>
<td>80</td>
</tr>
<tr>
<td>Multi-family Housing</td>
<td>260 Units</td>
<td>410</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>712</strong></td>
</tr>
</tbody>
</table>
DOWNTOWN STEERING COMMITTEE

New Public Parking Garage Sites
**Preferred I Street Parking Garage Options Studied**

<table>
<thead>
<tr>
<th></th>
<th>Option 3</th>
<th>Option 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Levels</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Structure Height</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>Structure Square Footage (SF)</td>
<td>137,420</td>
<td>140,300</td>
</tr>
<tr>
<td>Stall Quantity (Self Only)</td>
<td>375</td>
<td>375</td>
</tr>
<tr>
<td>Stall Efficiency (SF/Stall)</td>
<td>366</td>
<td>374</td>
</tr>
<tr>
<td>Total Project Costs (Land + Design + Construction)</td>
<td>$16.2 Million</td>
<td>$16.9 Million</td>
</tr>
<tr>
<td>Cost Per Stall</td>
<td>$43,200</td>
<td>$45,100</td>
</tr>
</tbody>
</table>
The I Street parking garage size is limited to 375 spaces based on queuing capacity on Railroad Avenue during the peak period.

This is a function of parking location, distance from the intersection, and total downtown demand. Capacity issues would not be reduced by eliminating valet parking.
Livermore Village Parking Garage Options Studied

<table>
<thead>
<tr>
<th></th>
<th>Site 1</th>
<th>Site 2</th>
<th>Site 3</th>
<th>Site 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Height</td>
<td>54 ft</td>
<td>43 ft</td>
<td>54 ft</td>
<td>-15 ft</td>
</tr>
<tr>
<td>Parking Stall Quantity</td>
<td>500</td>
<td>500</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Commercial Option?</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Total Cost</td>
<td>$20.10 M</td>
<td>$19.77 M</td>
<td>$19.46 M</td>
<td>$27.71 M</td>
</tr>
<tr>
<td>O&amp;M Costs</td>
<td>$130,000</td>
<td>$130,000</td>
<td>$130,000</td>
<td>$225,000</td>
</tr>
<tr>
<td></td>
<td>Existing Conditions</td>
<td>Eastside Hotel with Valet*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----------------------</td>
<td>---------------------</td>
<td>-----------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LOS – Livermore Avenue North/South</td>
<td>A (&lt;10s)</td>
<td>A (&lt;10s)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LOS – Driveways East Side &amp; West Side</td>
<td>C (16s)</td>
<td>C (21s)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Left and right turns are currently allowed and would continue to occur.
Hotel Occupancy and Rates

- Occupancy rates have also continued to climb since the 2014 data used by BAE
- The 2016 occupancy rate of 79.8% represents strong demand in the region
- Year-to-date occupancy--as of March 2017 is 78.3%

![Occupancy Rate Chart]

Source: Smith Travel Research
Upcoming, New, and Proposed Hotel Projects

Increased ADR and occupancy rates have increased interest in hotel development in Livermore, as shown below—
599 hotel rooms being constructed, approved, or under review in the City (443 net)

- **Under Construction**
  - Home2 Suites by Hilton Livermore (108 Rooms) – Replacing Comfort Inn (60 Rooms)

- **Approved**
  - Residence Inn at CrossWinds Commercial site (112 room hotel)

- **Under Review**
  - Hyatt House (126 rooms) and Hyatt Place (94 rooms) – replacing current Residence Inn (96 rooms)
  - Mission Boutique Hotel (58 rooms)
  - Homewood at Crosswinds Commercial Site (101 rooms)

- **Dublin**: 127-room Aloft hotel broke ground on April 18th
- **Pleasanton**: Potential Johnson Drive development – no proposal

Source: City of Livermore, Community Development Department
Hotel Feasibility and Location

- **Costs.** Hotel cost for feasibility analysis is approximately $225,000 per room (excluding parking and land cost). This includes hard and soft costs and estimated financing costs.
- **Market Feasibility:** Increasing ADR and hotel occupancy are good indicators of market feasibility. A downtown hotel can offer a different set of amenities and experience that provides a unique position in the market, even among a growing number of hotel competitors in the City.
- **Dual Branding:** This concept is appropriate for freeway-access hotels, but not in the downtown where a boutique hotel makes sense.
- **Location:** Hotel should face onto Livermore Avenue for maximum visibility.
- **Financial Feasibility:** Assumed revenues and costs indicate a financially feasible project for a Downtown Hotel.
  - Based on PFM’s financial model, a 100- to 135-room hotel could have an internal rate of return (IRR) at or above 10% (varies based on assumptions used for key market indicators and cost).

A 100-125 room hotel is feasible assuming zero land cost and parking assistance.
East Side – Access, Circulation, and Design

- (+) Wide Livermore Ave Street Frontage
- (+) Excellent visibility from Livermore Ave, even north of railroad underpass
- (+) Strong connections to and from Bankhead Theater and adjacent shops
- (+) Service access from Railroad Ave

- (-) Some view blockage to south and east
- (+) Adequate parking supply at I Street Garage via valet
- (+) No adjacent uses to create potential incompatibilities
- (+) Stand alone site enhances developer certainty
West Side – Access, Circulation, and Design

- (+) Views are relatively open
- (+) Option to build self-contained parking on site
- (-) Adjacent residential uses could be problematic
- (-) Larger site could create uncertainty for developer

- (-) Narrower Livermore Ave street frontage, especially if open space also fronts on Livermore Ave
- (-) Moderate visibility from Livermore Ave south of Railroad Ave
- (-) Weaker connections to Bankhead Theater and adjacent shops
- (+) Service and parking access from Railroad Ave
Conference Facilities

- Conference facility size needed for 125 person event:

<table>
<thead>
<tr>
<th>Theater</th>
<th>Reception</th>
<th>Banquet</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,126 sf</td>
<td>1,184 sf</td>
<td>1,504 sf</td>
</tr>
</tbody>
</table>

Source: Hilton.com, similar data available from multiple other websites.

- Presidio’s current proposal is for a 1,500 sf conference facility
- Market support is for maximum of 1,000 to 1,500 sf
Retail Uses

Types
Experiential
• More services, less goods
• Fitness trends
Concept grocery
• Healthy, fresh, fast
• Experience
  • Café
  • Taproom

Quantity
Retail is best positioned downtown as ancillary ground floor use, with locations favoring high visibility
• Unless accompanied by new residential and a hotel, new retail demand is essentially zero
• Overall demand related to new housing might be 15,000 to 20,000 square feet per 500 units
• Overall demand related to a 125-room hotel might be 5,000 to 10,000 sf
• Minimum viable retail is 10,000 to 12,000 sf

Location
• Should be located on main streets and near other retail
• Avoid stand-alone or pedestrian-only locations
Museum and Gallery Observations

Example museums:

• Blue Line Arts – Roseville
  • 4,500 sq. ft.
  • $233,000 annual budget
  • 3 staff members
  • Operating deficit $120,000

• Hayward Area Historical Society
  • 17,000 sq. ft.
  • $1.2 million annual budget
  • 11 staff members
  • Operating deficit $300,000

Example museum costs:

• Example size: 5,000-10,000 sf
• Construction cost: $500 - $1,000 per sf
• Exhibit cost: $1-2 million
• Total cost: $3.5-12 million
Housing Supply

- Livermore’s existing housing breakdown:
  - 81% single family
  - 19% multifamily
- No market rate apartments have been constructed since 1998
- Rising multi-family rents indicate more demand than available supply
Residential - Market Trends to Watch

- Major increase in nationwide household formation
  - 2016 to 2025 anticipate 12.5 million new households
  - 2006 to 2015 only saw 7 million new households
- Greatest increase in young adults (born 1980s and 1990s)
- Wave of adults aged 65 or older
- Suburban cities to form most new households
Approved and Planned Downtown Housing

- Chestnut Square Project includes 158 units:
  - 72 senior units
  - 42 rental apartments
  - 44 market-rate (for sale) townhouses

- Groth Site proposal includes:
  - 220 housing units
  - 12,000 – 15,000 sf commercial

- Other potential downtown housing sites would require substantial redevelopment including the removal of existing uses and structures
Residential: Feasibility Analysis

- Townhomes and rental apartments are all feasible
- Townhomes are more proven as per residual land value
- Apartments have more uncertainty, but bigger upside
Affordable Housing Requirement

- City used $14 million of affordable housing fund to purchase downtown site
- If affordable housing is not built on site, City will have to repay housing fund
- Value of land per affordable unit = $80,000
- Rough estimate of housing needed to avoid repayment:
  175 units @ $80,000/affordable unit subsidy = $14 million
Alternative Housing Types

Senior Housing (40/acre)

Senior Housing (50/acre)

Co-housing (35/acre)

Co-housing (35/acre)

Co-housing (15/acre)
Alternative Housing Types

- Micro Units (40/acre)
- Micro Units (studios 275-350 sf)
- Artist Live-Work (studios 275-800 sf)
- Artist Live-Work (townhomes 1400-1600 sf)
- Instrumental music
Carnegie Park

Area approx. 1.65 AC
Core Open Space – Typical Sizes

Lytton Square, Palo Alto, Approx Area 0.23 ac

One Colorado Plaza, Pasadena, Approx Area 0.28 ac
Core Open Space – Typical Sizes

Courthouse Square, Redwood City, Approx Area 0.7 ac

Healdsburg Plaza, Healdsburg, Approx Area 1.2 ac
Open Space Provision

» Housing is required to supply 150 sf of open space per unit, which must be maintained in perpetuity

» 150 units results in ½ acre of open space

» Additional open space could be constructed and maintained using public resources

» Open space should be designed with both use and aesthetics in mind
Pedestrian Walking Distance and Connectivity

- Standard block size to encourage walking is 210’ x 320’
- New development should subdivide big block
- Pedestrian connectivity is key
Skyways and Skywalks

- Pedestrian bridges over streets:
  - Most American pedestrians avoid unless no other choice
  - Removal of street life is not beneficial to downtown revitalization

- Elevated walkways:
  - Can rob streets of activity, unless there are lots of pedestrians already
  - Trees are feasible but need significant maintenance
  - Underside space can be dark, may need more amenity to overcome
  - Does the “artifact” match and complement the place character?

- An alternative to pedestrian bridges is to transform the arterial into a more “tamed” walkable city street (with tree canopies, etc.)
Downtown Housing as Urban Fabric

- A concentration of housing in the core brings new residents and is critical to the vitality of downtown.
- Downtown housing provides choices for newly emerging desirable demographic groups.
- 30 to 50 units per acre can readily be accommodated in 3-4 story development with varied massing.
- By City ordinance, housing provides a source of dedicated open space to be maintained in perpetuity.