



February 21, 2020

via email

Honorable Mayor and City Council Members  
City of San Mateo  
330 W. 20th Ave  
San Mateo, CA 94403

RE: Parking In-Lieu Fee

I am writing to discuss the proposed changes to the San Mateo Parking In-lieu Fee referenced in the Staff Report given to City Council on November 4, 2019.

We own the Central Park Plaza block, bordered by 4<sup>th</sup>, 5<sup>th</sup>, El Camino Real & San Mateo Avenue. We are opposed to the proposed doubling of the parking impact fee, especially in light of the outdated parking code requirements which are above office market demand. For example, the code requires 2.6 per 1,000 for new office buildings and yet typical demand today is 2.0 per thousand. Not only would this make San Mateo have one of the highest impact fees in the Bay Area, but it is a double hit since the code requires more spaces than are needed.

In addition, although this would be one of the highest parking impact fees in the Bay Area, San Mateo office rents are lower than many other cities. This further impacts the feasibility of building new projects in the Downtown. Even now, City fees are more than 10% of total project costs in San Mateo.

A more holistic study should be made that are specific to traffic and parking demands in the Downtown, TDM credits, etc. prior to a final decision.

We are available to participate in further discussions as a stakeholder in the Downtown, similar to our participation in the General Plan update process.

Thank you for your consideration of this issue,

Sincerely,

Vice President, Real Estate

cc: Sue-Ellen Atkinson, AICP, Principal Transportation Planner

**From:** Marcus Gilmour <[marcus@lane-partners.com](mailto:marcus@lane-partners.com)>

**Sent:** Tuesday, February 25, 2020 7:21 PM

**To:** Kohar Kojayan

**Subject:** Parking In-Lieu Fee Timing

Hi Kohar

It was great meeting you last week. Thank you for introducing yourself! I (along with a couple guys from Prometheus) met with Mayor Goethals and Commissioner Lee tonight to discuss the parking in-lieu fee issue among other development topics. We conveyed our support of a fee increase but asked that the timing of the increase be aligned with a reduction in the parking ratio requirements based on an actual demand study.

Mayor Goethals encouraged me to reach out to you directly to learn more about the timing of the fee increase going into effect vs the timing of the demand studies being done. We understand the City has pressure to increase the fee asap but our concern is the potential to create a dead period of development in which groups like us are waiting to move projects forward until the City conducts the demand studies and TDM credit updates, etc.

Happy to meet in person or jump on a call to discuss.

Thanks,  
Marcus



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