



MEMO

TO: Ed Manasse, City of Oakland

FROM: Ann Cheng, Program Director, TransForm
Christopher Escárcega, Kate Howe and Arly Cassidy, Volunteer Planners

DATE: July 11, 2013

RE: **Caltrans Airspace Parking Facilities within the Lake Merritt Station Plan Area**

Overview: This memo includes three main components:

- 1) Inventory of parking operators and lease agreement details.
 - a. Overview of Caltrans leasing process
 - b. Summary tables of largest lease holders, average cost of parking and typical users. Total available land and parking spaces without valet service.
 - c. Map of land and parking currently available. Including links to geo-referenced photos of the various parking lots and annotated google map summarizing notes from conversations with various operators.
- 2) Design and operations case studies of communities implementing creative reuse of areas beneath freeways.
- 3) Caltrans Right of Way Leasing policy documents and Caltrans parcel maps

Summary of Parking Operator Inventory:

Existing parking facilities beneath the I-880 freeway could meet a significant portion of the projected commercial and office parking demand in the Lake Merritt Station Public Review Draft. In conjunction with the Transportation Demand Management (TDM) measures proposed in the Public Review Draft Plan, these parking lots adjacent to the plan area offer an opportunity to reduce the need to construct expensive new parking garages. Instead, through the very parking strategies promoted by the plan (shared parking, parking pricing, improved pedestrian and bicycle facilities and connections) land (“air space”) creating the border between the Chinatown/Lake Merritt and Jack London Square Districts could be used for improving the safety, parking availability, economic vitality and beauty to better serve both communities and the Station Area.

The following memo is an inventory of existing parking facilities in the Caltrans I-880 right-of-way adjacent to the Lake Merritt Station Plan area. It describes the Caltrans airspace program; how the parcels adjacent to the plan area are currently used; and how the consideration of these parcels could

affect the off street parking projections and therefore land use of the Lake Merritt Station Plan in addition to recent Jack London Square Plans.

Many thanks to Nancy Bocanegra for providing a wealth of information included in this memo. She is the Right of Way Airspace Development Coordinator for Caltrans District 4 - Oakland, Division of Right of Way, Right of Way Airspace Development Branch.

She can be reached at (510) 286-5420/FAX (510) 286-5366 or emailed at nancy_bocanegra@dot.ca.gov For additional information.

What is Caltrans Airspace?

The Office of Airspace Development is part of Caltrans' Division of Right of Way, and is responsible for the management and leasing of airspace parcels. Airspace is defined as "any property within the right of way limits of an existing highway that is also capable of supporting another secondary use" without interfering with the functionality or safety of the highway. In addition, secondary uses must not interfere with potential expansion of the transportation corridor. Airspace sites may include ground-level parcels beneath elevated roadways, property adjacent to freeway on-ramps or roadways, and unused space within an interchange loop (that can be accessed via local surface streets). Proposed usage for airspace sites is evaluated on a case-by-case basis, and typically includes private or public parking, construction storage and staging, and temporary open storage of non-toxic and non-flammable materials.

Existing Parking:

- ~327,000 Sq. Ft. of leasable space
- 778 parking spaces
- 10 parcels
- 8 lease holders

Potential Parking:

- 871 surface spaces
- Double or triple to 1,500 -2,300 spaces with lifts

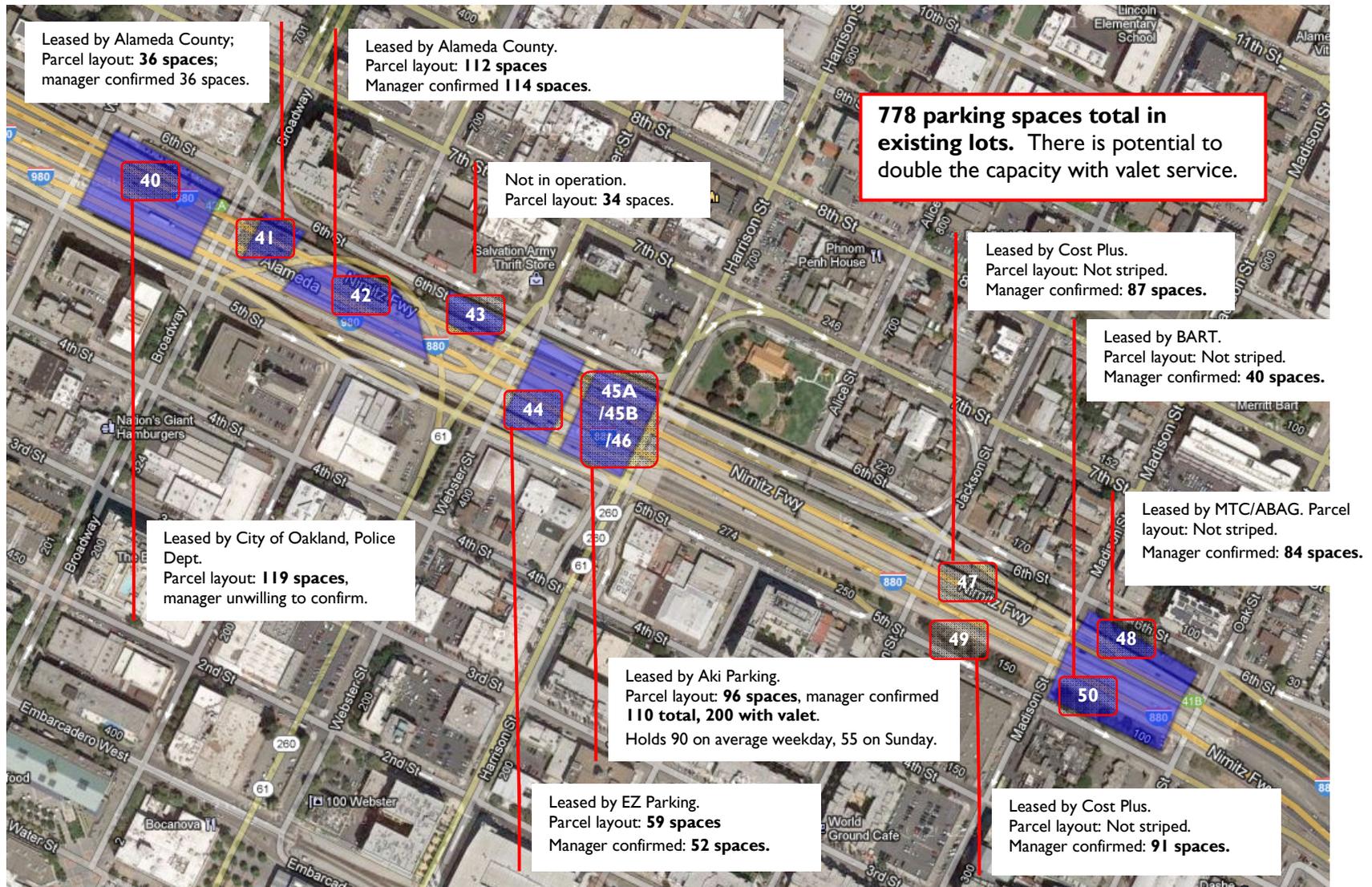
Total Parking Spaces and Potential Spaces under I-880

There are ten parcels located underneath an elevated section of the I-880 freeway in Caltrans right-of-way (ROW) within the plan area. These parcels are currently leased as parking lots to a variety of private and public entities. The total leasable area is about **326,564 sq. ft.** According to the Caltrans parcel maps and conversations with lot operators attached this accommodates **778** parking spaces. If the lots were combined for coordinated use there could be potential to park about **871** spaces (assuming 300 s.f./space including drive aisles) , subtracting 20% for freeway pillars. One parking operator remarked that a space striped for 100 cars could fit up to 200 if valet service was used. The parking supply could be doubled or tripled with valet service and parking lifts (boosting potential up to **1,500 to 2,300** spaces).

Each of the ten parcels is currently leased, with terms varying from one month to 20 years (the longest held by the City of Oakland, expiring in October 2013). Three private parking companies rent spaces to the general public; representing about 183 available spaces. Two other private retail companies (Cost Plus and Nextel) lease two parcels, with spaces reserved for customers and employees. Four public agencies also maintain airspace leases in the project area, including MTC/ABAG/AQMD, BART, County of Alameda, and City of Oakland. Details on the ten parcels in the study area can be found in **Table I-4** and **Figure I.1**.

Many of the people parking in these lots are already working and shopping in the Lake Merritt Station Plan area and its surrounds. Most of the lots are only available during the day time for employees. Some

Figure I. Lots Leased by Caltrans to Various Parties for Airspace Under the I-880 Freeway within the Lake Merritt Station Area Plan Map By Arly Cassidy, Data gathered Fall 2012. Original annotated map online: <http://goo.gl/maps/s6n74>



Google map by Chris Escarcega with geo-referenced photos of lot condition, access and signage <http://goo.gl/maps/HyhIC>

of the public lots remain open for self-parking over-night, but are seldom used because of the lack of attendants, security and safety. Most lots designated for employees of a particular employer aren't available for overnight or residential parking. The public lots in the area are charging about \$4/day, in contrast to the "early bird special" (in before 9:30am) at the City Center West Garage on the edge of downtown Oakland of \$14 a day.

Ideally this space could be coordinated by community parking benefit district integrating needs on either side of the freeway. With a strategic capital improvement plan, starting with those identified in the LMSAP, for better, safer connections from the I-880 space out to both neighborhoods and additional security, we believe this is a viable plan for raising up front initial capital costs and paying down the costs of improvements over time through coordinated market based pricing for on-street parking. Having this management structure in place before expected new development occurs, will prepare existing neighborhoods and businesses to successfully manage increased demand and access by both transit and driving and walking, which is a successful plan implementation.

Airspace facilities in the context of Public Review Draft parking strategies

The Public Review Draft offers a number of parking management strategies intended to reduce the total parking demand of the proposed development. These strategies include:

- Improve bicycle and pedestrian facilities
- Provide additional bicycle parking with new development and at BART station
- Convert excess travel lanes to additional (angled) on-street parking
- Provide unbundled residential parking
- Increase parking enforcement
- Establish parking maximums
- Encourage shared parking
- Implement parking pricing
- Implement Transportation Demand Management (TDM) programs listed in Preferred Plan, including car sharing, shuttles, subsidized transit passes, and carpool ride-matching

All of these strategies will help to reduce driving by area residents and workers. In the prior July 2012, Administrative Draft of the LMSAP however, the plan predicted a need for between 3,882 and 5,558 new off-street parking spaces. To build these structured parking spaces would cost \$77-\$111 million, assuming a modest \$20,000 per space. This estimate also does not include the cost of land, maintenance or underground spaces which can cost up to \$50,000 per space.

Rather than requiring each new development to accommodate parking needs onsite, coordinated shared parking spaces ideally can be managed through a parking benefit district with community and business oversight. The purpose of this memo is to kick-start the conversation now so that ideally a collaboration of organizational entities (Chinatown Chamber, Jack London Association, government agencies) can start costing out necessary improvements and plan for a phased approach to consolidating lease agreements.

Developing the Parking Benefit District Business Plan

Ideally one group lead by business interests in both neighborhoods could develop a comprehensive business plan to refine the goals and purpose of such a district. A logical first step is costing out beautification and safety improvements such as, lighting, painting, public art and attendants to begin

transforming the area. Potentially a loan for up front improvements could be secured, then be paid off over time with ongoing parking revenue. We believe there is potential to charge more than \$3-4 a day especially with significant safety improvements.

More ideas of how to beautify the space and case studies of how this strategy was implemented beneath a freeway overpass in the International District of Seattle and Austin are included in this memo. These spaces should be managed with a priority of supporting continued economic success of both Chinatown and Jack London Square Neighborhoods.

When coupled with TDM strategies suggested by the plan, these parking lots could easily and cheaply transition from the poorly lit, unsafe lots of today into well-lit, heavily frequented destinations for employees and visitors to the area. In order to create convenient access from the parking lots into the communities, transportation planning to access adjacent areas should include pedestrian and bicycle access, and potential expansions of the Broadway Shuttle such as adding a stop next to the lots. Shifting the parking supply at the center of the LMSAP area would enhance aesthetics and improve pedestrian and bicycle safety by diverting car traffic to the neighborhood periphery. It would also provide very convenient, visible lots for drivers coming from around the region to work or play in Downtown Oakland.

The following tables show details of the lots' current operations. The lots are laid out with large drive aisles, due to the freeway column spacing, and irregular use of valet service to park more cars.

Caltrans Right of Way Leasing Rules

The general explanation of what uses are allowed and how to go about bidding on leases to Caltrans properties beneath freeways are attached in the Caltrans informational handout: ***What is "Airspace" and When Would I Contact the Caltrans Office of Airspace Development?***

The lease terms are generally 2 years and 5 year + 5 year but there are a few hold over long term leases. Any longer leases must be reviewed by the California Transportation Commission. The department holds lease auctions every two years, the next one coming up October 9, 2013. If a lease runs out before an auction the leases are extended month to month until the next auction.

Caltrans retains authority to decide which government agency use gets priority use of lots. Additionally government agencies only pay the cost of fair market value and aren't subject to the auction process. If the use is designated as a park, leased by a City, the lease is equivalent maintenance or \$500 per lot per month, whichever is less. For example this is the cost of the monthly lease for Grove Shafter Park beneath the 580/980 interchange.

Current Status of Lots

Starting this August there will be a median barrier upgrade project that will result in closure of lots 40-43 and 47-50. The Webster Place lots 44 & 45 will convert from public hourly lots to employee lots which were offered for temporary parking relocation during construction. All the existing lease holders will continue to be subject to existing lease terms, except for the current lease holders of lots 44 & 45.

Table 2: Caltrans I-880 Parcels – by Size of parcel: Biggest to Smallest

Caltrans Parcel #	Use	Tenant Name	Area (sq.ft.)	Actual spaces	Potential Spaces ³⁰⁰ Sq.ft./Space*
040	Employee	City of Oakland	67,730	119	181
042	Employee	County of Alameda	48,200	114	129
050	Employee	BART	39,640	40	106
049	Employee	Cost Plus	34,000	91	91
047	Employee	Cost Plus	32,608	87	87
048	Employee	MTC/ABAG	31,912	84	85
044	Public	ETI-EZ Parking	24,000	52	64
45A-B	Public	Aki Parking	16,374	110	44
041	Employee	County of Alameda	14,700	36	39
043	Public	ETI-EZ Parking	13,400	34	36
046	Cell Tower	Nextel	4,000	11	11

Table 3: Caltrans I-880 Parcels – by cost per square feet: Low to High

Caltrans Parcel #	Use	Tenant Name	Monthly Rent	\$/SF	Area (sq.ft.)	Actual spaces
040	Employee	City of Oakland	\$ 700.00	\$ 0.01	67,730	119
050	Employee	BART	\$ 1,000.00	\$ 0.03	39,640	40
048	Employee	MTC/ABAG/AQMD	\$ 1,100.00	\$ 0.03	31,912	84
042	Employee	County of Alameda	\$ 1,926.10	\$ 0.04	48,200	114
049	Employee	Cost Plus	\$ 2,040.00	\$ 0.06	34,000	91
041	Employee	County of Alameda	\$ 1,238.60	\$ 0.08	14,700	36
45A	Public	Aki Parking	\$ 2,000.00	\$ 0.12	16,374	110
044	Public	ETI-EZ Parking	\$ 3,200.00	\$ 0.13	24,000	52
043	Public	ETI-EZ Parking	\$ 1,800.00	\$ 0.13	13,400	34
047	Employee	Cost Plus	\$ 4,550.00	\$ 0.14	32,608	87
046	Cell Tower	Nextel	\$ 2,469.00	\$ 0.62	4,000	11
45B	Public	Aki Parking - with 45A				

Table 4: Caltrans I-880 Parcels – by lease expiration date

Caltrans Parcel #	Use	Tenant Name	Start of Lease	Lease Expiration	Lease Term
040	Employee	City of Oakland	11/01/1993	10/31/2013	20 Year
046	Employee	Nextel	N/A	N/A	10yr+5yr+5yr
050	Employee	BART	01/01/2005	12/31/2014	5 Yr + 5 Yr
048	Employee	MTC/ABAG/AQMD	06/01/2006	05/31/2016	5 Yr + 5 Yr
047	Employee	Cost Plus	03/01/2010	6/30/2014	4yr+4mo
043	Public	ETI-EZ Parking	11/16/2010	6/30/2014	6 Mo + 6 Mo
044	Public	ETI-EZ Parking	03/01/2010	02/29/2012	month to month
049	Employee	Cost Plus	06/01/2003	expired	month to month
041	Employee	County of Alameda	09/01/89	N/A	month to month
042	Employee	County of Alameda	09/01/89	N/A	month to month
45A	Public	Aki Parking	08/01/2009	07/30/2011	expired
45B	Public	Aki Parking - with 45A	11/01/10	10/31/12	expired

Parking Districts and Beautification for Areas beneath Freeways

Design and Program Case Studies

Austin, Seattle, Miami, Manhattan, Milwaukee

June 2013



Austin I-35 Makeover Project

Austin I-35 Makeover Project

The I-35 Makeover Coalition, a group of local civic organizations and community leaders aimed at improving the area between downtown and East Austin, has recently completed a redesign of the area under the freeway that will help turn the blocks underneath [I-35 between Sixth and Eighth Streets](#) into a more inviting area.

The three blocks under the highway are owned by the Texas Department of Transportation and managed by the City of Austin, which collects parking revenue from visitors using the parking lots in the evening. That revenue in 2004—totaled about \$150,000 and generate between \$6,000 and \$8,000 per month -- is restricted for use on physical improvements to the property, funded construction. The total project budget was about \$2.3 million to take the existing parking lots and upgrade them by adding more lighting, wider sidewalks, and more plants. Funding for the project came from about \$600,000 in accumulated parking revenues from the parking lots underneath the bridge, plus a \$265,000 grant from Keep Austin Beautiful and \$1.5 million in city-backed certificates of obligation.

The design services were paid for through private donations. The improvements include improved lighting for the parking lots, landscaping, public art and other pedestrian amenities to help make the area more secure and better looking.

<http://www.fodastudio.com/main/project/28>

<http://www.bizjournals.com/austin/stories/2004/12/20/daily13.html?page=all>

Austin I-35 Makeover Project



Parking below freeway overpasses can be used to supplement on-street parking. It can be a resource for carpools, vanpools, and long- or short-term timed spaces. To maximize the use of these areas, the City must ensure that under freeway spaces and street connections are clean, accessible, well-lit and safe. These improvements can facilitate local travel between neighborhoods and enhance parking lot usage. The application of public realm design principles can ripple out to adjacent properties, helping to achieve broader economic development and planning goals, making improvements a win/win for business, residents and the growing neighborhood. The following includes a set of precedents that may be applicable to the Lake Merritt/ Jack London Square area of downtown Oakland.

Strategy: Low Cost Place Making

Existing parking resources can go unutilized because potential users are not familiar with the area, have trouble accessing spaces or feel that spaces are not convenient. With qualitative design improvements, long-term parkers in particular, may be willing to walk a few extra blocks for access to less expensive or longer term spaces. To be successful, parking lots an under freeways must look and feel cared for. Painted columns, art work and clear way finding signal that the parking spaces, as well as other associated public areas are safe and appropriate to use. Space should in no way feel like a no-man’s land, or allow for abandoned vehicles.

International District, Seattle

In Seattle, the construction of Interstate 5’s divorced historic Chinatown from Little Saigon, two neighborhoods within the downtown’s International District. In order to improve fill in empty gaps of space under the freeway, community advocates negotiated with WSDOT to lease the area for parking beginning in 1971. InterIm CDA manages and leases 233 spaces, as well as ensures that the area is well kept, secure and clean. This brightly painted space is well known in Seattle for the red painted columns, and 750 merchants located within the International District take advantage of the lot’s shared parking resource. Revenues from the lot fund neighborhood programs. InterIm CDA also recently issued a “call-for-artists” with a \$10,000 project budget for public art under the freeway.

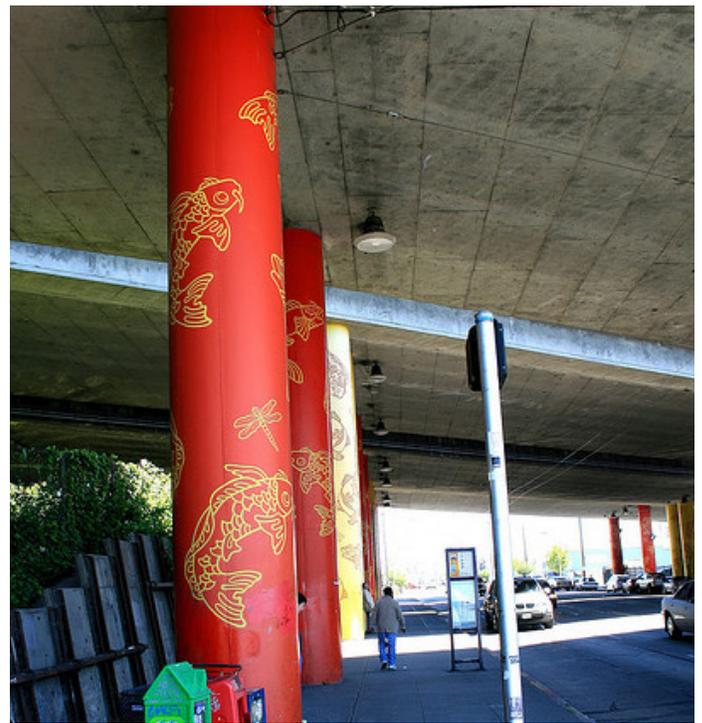
Rate: \$105 monthly; \$7 daily rate.

More information:

Gary Matsuda,

Parking Service Manager, Interim CDA

206-624-1806



Viaduct, Pike Place/Pioneer Square, Seattle

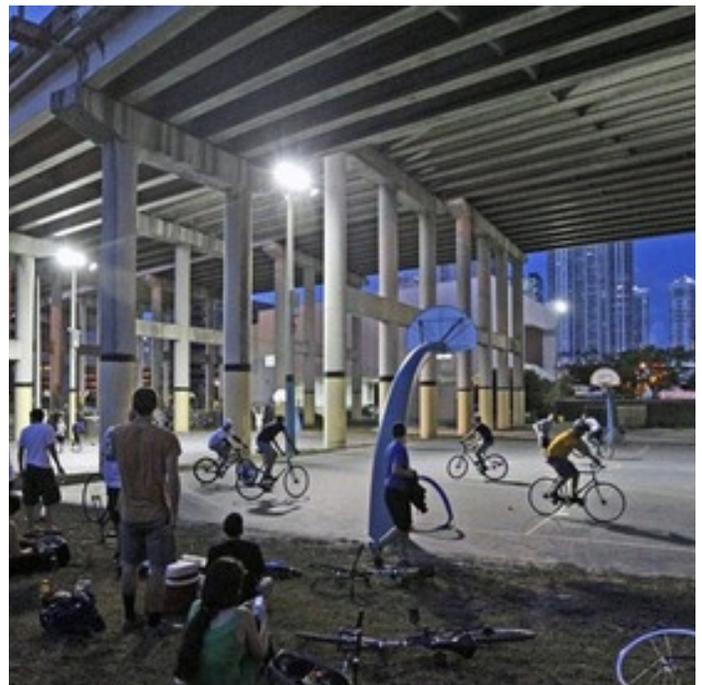
Painting the viaduct columns with arrows pointing to on-street public parking is SDOT's solution to low cost way finding. This strategy helps provides information about access to public parking in a major tourist area that can be confusing due to one-way streets and lots of people on the waterfront. For now, (while the viaduct still stands) the spaces are priced the same as downtown streets, are often full, and use the same parking payment kiosks as elsewhere so it is easy to understand. Parking spaces under the viaduct can be used for those walking to the Ferry terminal, Pioneer Square and Pike Place Market as well as a broad variety of downtown destinations.



Jose Marti Park, Miami

Right where I-95 crosses the Miami River, a group of park spaces fills in, around and under the overpass. Parking for cars is available for park users at a low rate, but it is a secondary uses to the many community activities in Jose Marti park, including hand ball and basket ball courts below the overpass. There are also painted walking areas amid the interstate's supporting columns, and avid night bike polo.

The unique design and painted columns have made the best of this area for a wide variety of users.



Strategy: Supplement Parking Areas with Public Activities and Bike/Ped Improvements

Increasing the variety of uses below the freeway helps stitch urban places back together. While many DOTs do not allow for structure below roadways, some Cities have found creative ways to reconnect neighborhoods. Parking lots can be coupled with other uses, specialized lighting and public art. In some cases, neighborhood groups or business improvement districts help advocate for and fund improvements, take over legal liability and maintain spaces over time.

I-5 Colonnade Park, Seattle Parks and Recreation

This project creates 7.5 acres of usable park on property owned by WSDOT below the I-5 overpass in the Eastlake Neighborhood. First identified in a 1998 Neighborhood Plan, I-5 Colonnade park was completed in 2010 thanks to creative partnership with non-profits, and passage of Seattle's 2000 pro-parks levy (\$1.8 million allocated for the park construction). The Evergreen Mountain Bike Alliance recruited volunteers, and collaborated with the City to set the vision for a serious mountain biking course that now attracts riders from around the Puget Sound. The park also includes an off-leash dog run, public staircase, 1% for art public art and improved bike/ped connections.



East River Esplanade, FDR Drive, Manhattan, NYC

An extensive master planning effort aims to re-connect lower Manhattan with its waterfront, doing away with an obstacle course of inaccessible areas, wire fencing, illegal dumping and poor lighting under FDR Drive. The planning process included a major effort to maximize year round waterfront use, and to make the best use of all available space, even that underneath the overpasses. Spaces below the roadway now benefit from new paving, LED lighting, designated pedestrian and bike lanes, and an all weather dog park better establishing this as part of the broader pedestrian friendly street network. A demonstration project showcasing the revitalization opened in July 2011, with more sections currently under construction.



Marsupial Bridge Media Garden, City of Milwaukee

The City of Milwaukee and Wisconsin Department of Transportation partnered with adjacent neighborhoods to create the an under bridge Media Garden for \$3.35 million. The redesign converts an unsafe, disused area into a civic gathering space for film festivals, regattas, and other river events. Concrete benches are set amidst gravel and seating boulders, and by night the benches are lit from within, transforming the plaza into a backdrop for public events. Monies allocated for the project included a Federal Congestion Mitigation and Air Quality grant awarded to the City of Milwaukee Department of Public Works and matching funds from the City of Milwaukee.



BACKGROUND AND HISTORY
INTERNATIONAL DISTRICT PARKING LOT
WSWSDOT AIRSPACE LEASE WITH
INTERNATION DISTRICT IMPROVEMENT ASSOCIATION (INTER*IM)

A. *Origins of the International District Parking Lot*

The origins of the International District parking lot go back 25 to 30 years. When WSDOT built I-5 in the mid 1960's, the freeway cut through the center of the International District, reducing the land area of the district, displacing residents and businesses, and physically dividing the community. As a result, the International District community paid a high price for the public benefit of having the Interstate highway system.

Tracing back to the late 1960's when I-5 cut through the middle of the International District, leaving blighted raw, unusable land under I-5, the community approached WSDOT to turn the area into a productive use for public benefit to the community. At the time, WSDOT recognized the impacts I-5 had on the community, and worked with Inter*Im to develop a parking lot, and in 1972 entered into a series of below market leases, as recognition of its responsibilities to mitigate some of the impacts.

The public benefits and mitigation associated with this airspace lease differentiate it from other WSDOT airspace leases with commercial parking lot operators. The public importance of this site for community parking was acknowledged when the International District was established as a historic district by the City of Seattle in 1974, and as a registered federal historic district in 1987. Then more recently, in 1991, WSDOT recognized the value of the continuation of this parking for the District when it revised its plans to terminate the lease in order to widen I-5, and worked out a way to preserve the parking for the community while accomplishing the needed improvements and providing mitigation payments for the lost parking.

B. *Purpose of Inter*Im's International District Parking Lot*

The *International District Improvement Association, (Inter*Im)*, a 501 (c) (4) non-profit community organization negotiated and secured the lease with WSDOT. Inter*Im's mission includes preserving and revitalizing the Chinatown/International District to remain a viable residential and business community and to address unmet community needs. The availability of this lot is essential to the economic viability of the District's many restaurants and retail businesses, and the maintenance of the character of the historic district.

The operation of this lot provides the following public benefits to the District:

- a) Reasonably priced parking primarily for three target groups in the International District: (1) residents of the District (of which most are low income); (2) employees working in the District, (both small family business/restaurant and non-profit social service agency employees making modest incomes); (3) customers and clients of community businesses, restaurants, social service agencies, and professionals operating in the District. The parking lot has been viewed as essential to the continued viability and revitalization of the District as a residential neighborhood and a regional center of commerce for the Asian/Pacific communities in the Pacific Northwest.
- b) The 234 spaces provide a significant portion of available parking in the District, and is critical to the continued economic health of a number of merchants, who already have a shortage of parking sufficient to handle the volume of customers necessary to flourish. This lot frees up other short term on-street parking in the District.

BACKGROUND AND HISTORY
INTERNATIONAL DISTRICT PARKING LOT
WSWSDOT AIRSPACE LEASE WITH
INTERNATION DISTRICT IMPROVEMENT ASSOCIATION (INTER*IM)

- c) The parking lot promotes acknowledged public transportation planning goals by supporting lower rates for car and van pool activities, a customer validation system with community merchants and by minimizing traffic through the encouragement of the efficient use of available on-street District parking.
- d) Increasing development pressures, will add to parking and traffic demands - from the 2 new sports stadiums, and major development projects, both within and in proximity to the District including one million square feet of Class A offices in the Union Station developmen, - making it even more critical to have parking available for International District customers, clients, and residents. With the prospect of increased development within the ID, there is anticipated to be a loss of a significant number of existing off-street surface lots to new development.
- e) Further, in the past, when there were revenues generated from the parking lot, those funds were used to support the charitable, community development work of Inter*Im and the **InterIm Community Development Association, (ICDA)**, its sister agency, a 501(c)(3), tax-exempt, non-profit community development corporation. Inter*Im and ICDA work to assist in the preservation and revitalization of the Chinatown/International District community, the development of low-income housing, historic preservation and community planning and advocacy, and other critical social and community services. Since the latest lease renegotiations, InterIm has essentially broken even in its operation of the parking lot, whereas in past years, prior to the current WSDOT lease terms, donations from Inter*Im's parking revenues to ICDA comprised up to 25% of ICDA's total operating budget. This financial support helped ICDA develop several affordable, low income housing renovations in the community.

HISTORY

- 1969-70 Inter*Im began negotiating with WSDOT over: its plans for the unfinished ground under I-5, located in the International District. The community proposed a parking lot as one way to address the impacts of I-5 cutting through the middle of the District.
- 1972 Inter*Im negotiated a month to month lease with WSDOT for use of the airspace for parking, taking an unusable site from WSDOT, removing their liability and returning it to a productive community use after I-5 demolished existing structures on the site.
- 1972 WSDOT bid and constructed the improvements to make the ground into a parking lot.
- 1973 Inter*Im negotiated and secured the extension of the Metro Magic Carpet free bus zone to the site to establish a market for the lot, enhancing its value and financial viability. Prior to this the location was too peripheral for viable use, and Inter*Im lost money, with revenues barely sufficient to cover expenses.
- 1975 Inter*Im renegotiated a 2 year airspace lease with WSDOT.
- 1977 Inter*Im renegotiated a 20 year lease with WSDOT for continuation of the parking lot

BACKGROUND AND HISTORY
INTERNATIONAL DISTRICT PARKING LOT
WSWSDOT AIRSPACE LEASE WITH
INTERNATION DISTRICT IMPROVEMENT ASSOCIATION (INTER*IM)

- 1978 Inter*Im assisted in establishing Merchants Parking as tax-exempt, community-based non-profit organization for the primary purpose of ameliorating public parking conditions by developing, managing and operating a program of public off-street parking facilities throughout the International District. Inter*Im entered into a management contract with Merchants Parking for the WSDOT lot.
- 1984 Merchants Parking installed new curb cuts and lighting
- 1990 Inter*Im notified by WSDOT that it was canceling Inter*Im's lease to undertake the widening of I-5. The International District community protested the WSDOT action, organized opposition to the lease termination and secured wide spread community, business, political and editorial support. Inter*Im entered into negotiations with WSDOT to rescind the lease termination. The parties worked cooperatively to identify ways to reduce the construction and staging impacts to the community, while allowing the work to proceed.
- 1991 Inter*Im and WSDOT executed a lease amendment to allow WSDOT to utilize a portion of the parking lot necessary for the I-5 improvements, and to provide mitigation for the loss of parking to the community due to the I-5 construction work.
- 1993 WSDOT completed the I-5 improvements, and Inter*Im's use of the parking was returned per the existing lease agreement.
- 1996 Inter*Im undertook direct management and operation of the lot, made significant capital improvements, provided on site staffing, and increased utilization of the lot substantially.
- 1997 WSDOT required restructuring of the lease to increase the rent payment to WSDOT to an amount it established as "Fair Market Value". This restructuring of the lease terms dramatically changed the lease arrangements dating back to 1972, which recognized the below market lease valuation as defacto mitigation and compensation for community impacts of the construction of I-5, and the public benefits provided in the operation of the lot for the community. WSDOT did not acknowledge any mitigation principle or mutual off-setting community benefits provided by Inter*Im's operation of the lot in their lease restructuring, and established a lease rent at "Fair Market Value" based on 60% percentage of gross revenues. The restructured lease resulted in a rent increase to WSDOT of over 500%, reducing substantially net parking income and drastically impacting Interim's ability to operate the parking lot for the benefit of the community.
- 1972-present Inter*Im has continued through a succession of leases with WSDOT to provide parking to the Chinatown/International District community.

California Department of Transportation District 4



Division of Right of Way Office of Airspace Development



What is "Airspace" and When Would I Contact the Caltrans Office of Airspace Development?

Function

The Office of Airspace Development is responsible for leasing and managing all property held for a transportation purpose that can also safely accommodate a secondary use.

Definition of "Airspace"

An airspace site is defined as any property within the right of way limits of an existing highway that is also capable of supporting another secondary use without undue interference with the operation and foreseeable future expansion of the transportation corridor for transportation uses and without endangering the traveling public.

Examples of Typical Airspace

- Surface rights under an elevated roadway
- Property adjacent to a highway or ramp that is also within the operating right of way
- Space within an interchange loop that can be safely accessed via a local street

Typical Acceptable Uses of Airspace

Each proposal is considered on a case by case basis taking into consideration the specific requested use, the specific property location, and the suitability of the use within the context of the neighborhood. Typically, acceptable uses are:

- Private or public parking of passenger vehicles
- Temporary open storage of non-flammable, non-toxic materials
- Construction contractor temporary storage or staging.

Proposed uses must also be acceptable under the local zoning plans for the city or county wherein the Caltrans property is located. Therefore, in addition to obtaining prior approval for all uses from the Office of Airspace Development, the proponent must also obtain approval from the local city or county planning departments.

Vending is specifically not allowed within airspace.



Division of Right of Way Office of Airspace Development



What is "Airspace" and

When Would I Contact the Caltrans Office of Airspace Development?

Page 2 of 3

When Would I Contact the Right of Way Office of Airspace Development?

Most people will have to coordinate with our office either directly or indirectly under the following 3 scenarios:

1. When a person proposes to lease an already established parcel of airspace referred to as a "freeway lease area" or "FLA" already within the Caltrans database of rentable properties.
 - Our District 4 office manages approximately 200 established freeway lease areas located within the 9 Bay Area counties.
 - Our office holds public auctions approximately twice per year to establish market rental rates and lease established freeway lease areas. Our standard lease term is for 2 years.
 - Vacant FLAs may be rented absent the auction process for a maximum period of 1 year, which term may be extended by execution of a 2 year lease if the existing tenant is the successful bidder at the next scheduled auction.
 - Any interested party should contact the Right of Way Office of Airspace Development directly via telephone or email.
2. When a person proposes to lease an undeveloped site within Caltrans operating right of way.
 - Certain undeveloped properties adjacent to State highways may be suitable for a safe secondary use and therefore may be leased.
 - If a party identifies such a site, the party must contact the Office of Right of Way directly and submit a proposal identifying the physical area, outlining the requested use, the desired term, and any other related information.
 - Assuming the use is acceptable, the Office of Airspace Development must first determine whether the specific site is available for lease by conducting a multi-function review referred to as a "DARC review." If all the affected Offices within the Department agree that the specific site is available for a safe secondary use, then a lease may be executed.
3. When a private party or governmental entity is constructing a project that requires access to or through Caltrans airspace.
 - Any time a non-Caltrans project requires any access on or through airspace, the party will deal directly with the Office of Permits to obtain an encroachment permit. The Office of Permits will then conduct a review similar in scope to the airspace DARC review.
 - Our Office of Airspace Development is only indirectly involved by confirming whether the proposed use conflicts with an existing leasehold interest.
 - If a conflict exists and another alternative for the proponent is not available, then further coordination with our Office of Airspace Development will be required to determine whether the conflict may be resolved so that the Encroachment Permit may be issued.



Division of Right of Way Office of Airspace Development



What is "Airspace" and When Would I Contact the Caltrans Office of Airspace Development?

Page 3 of 3

What if I Intend to Improve the Airspace?

Negotiating and obtaining a lease for an airspace site only allows the tenant to occupy the site in its existing condition. If a tenant desires to upgrade the site by constructing or installing any improvements, an Encroachment Permit will be required to be issued from the Office of Permits.

In general, installation of any electrical or irrigation lines, paving, and lighting requires the issuance of an Encroachment Permit. Simple cosmetic surface improvements such as basic landscaping and chain link fence installation do not require the issuance of an Encroachment Permit.

Construction of permanent structures is not allowed within State airspace.

Can I Obtain a Long Term Lease?

Although the Office of Airspace Development is required to offer safely rentable airspace sites to the public via the auction process, certain qualifying properties may be leased on a long term basis. All proposals are reviewed on a case by case basis and must be approved by the California Transportation Commission, but typically, airspace may be leased on a long term basis under the following circumstance:

- The parcel has no public access and is landlocked to the adjoining property, in which case the adjoining property owner may qualify to use the airspace on a long term basis.
- The airspace site's existing physical condition requires substantial expensive improvements so that it may be safely used, thereby requiring the cost of the improvements to be amortized by the tenant over a reasonable amortization period, and it is in the State's best interest to enter such a long term lease.

The Caltrans Telecommunications Wireless Licensing Program

Airspace may also be licensed by wireless telecommunications companies to install telecommunications antennas and other equipment.

More information may be found at: <http://www.dot.ca.gov/dist4/airspace/wireless.htm>

How Do I Contact the Office of Airspace Development or Obtain More Information?

More information regarding Caltrans airspace and all telephone contacts may be found on our Internet web site at: <http://www.dot.ca.gov/dist4/airspace/>