

MEMORANDUM

DATE: December 1, 2022

TO: Param Vijay

FROM: Gerald Salzman
Maria Berg

RE: Parking Study – 1336 Route 59 Naperville IL 60563

INTRODUCTION

The purpose of this memorandum is to summarize the findings of a parking study conducted by DESMAN for the proposed commercial development at 1336 Route 59 in Naperville, Illinois. 1336 Route 59, hereby referred to as, “Design Pointe,” is a mixed-use commercial development. It is located near Interstate 88 in an area surrounded by office parks and residential neighborhoods. Currently, Design Pointe includes 103,680 SQFT of retail, restaurant, and office space. There are approximately 460 parking spaces to service this area, which were counted on-site during the data collection. The proposed development includes the addition of an out-parcel on undeveloped land. It will consist of a 1,971 SQFT GFA dental office, 3,700 SQFT GFA restaurant, 3,100 SQFT GFA retail/office, and 128 SQFT GFA sprinkler room. There will also be an additional 38 parking spaces surrounding the parcel. There are no tenants identified at this time. **Table 1** presents the existing tenant roster and associated square footage at Design Pointe.

Table 1: Design Point Tenant Roster

Rent Roll - Occupancy Summary

As of Date: 08/08/2022 Show Excluded Units: No Show All Amounts: Annual

Property: Main Street Design Pointe - mainstdp

Unit	Lease Name	Lease Type	Lease From	Lease To	Term (Months)	Area
H100-1B4	LOGAN SQUARE ALUMINUM	Retail Gross	4/1/2018	2/28/2025	83	12,943.00
H114	SAZ INC	Retail Net	6/1/2021	5/31/2027	72	3,050.00
H116	BRAIN BALANCE HOLDING	Retail Net	9/27/2021	9/30/2026	61	2,835.00
H118	MOORE TECH AND CONSULTING	Retail Net	5/1/2021	5/1/2025	53	1,177.00
H120	REEF DESIGN LLC	Retail Net	8/5/2019	1/4/2025	66	1,215.00
H122	JUSTERICA POGUE	Retail Net	1/1/2021	12/31/2025	60	1,215.00
H122-126	JB ARCHITECTURE GROUP	Retail Net	5/1/2012	12/21/2025	164	4,480.00
H132-134	XIAOYAN ZHANG D/B/A	Retail Net	3/1/2021	2/28/2026	60	3,058.00
H136	THE DIAMOND GALLERY,	Retail Net	1/1/2020	6/30/2023	42	1,472.00
H140-154	LOGAN SQUARE ALUMINUM	Retail Net	11/1/2017	2/28/2025	88	20,055.00
H158	FOOD NOT FAR CORPORA	Retail Net	7/1/2016	12/31/2031	168	5,553.00
H164	C&M HEALTH & FITNESS	Retail Net	8/1/2020	7/31/2030	120	3,320.00
H180	LOGAN SQUARE ALUMINUM	Retail Gross	4/1/2018	2/28/2025	83	12,895.00
LOT B	MCDONALD'S CORPORATION	Retail Net	8/23/2011	-	-	7,000.00
LOT C	GRAND APPLIANCES	Retail Net	12/17/2010	-	-	8,348.00
H166	VACANT	N/A	8/8/2022	8/6/2022	-	2,760.00
H170	VACANT	N/A	8/8/2022	8/8/2022	-	2,230.00
LOT A	CHASE BANK					4,580.00
LOT D	JIMMY JOHN'S					1,750.00
LOT D	MOMENTUM PHYSICAL THERAPY					1,800.00
LOT D	POKE BURRITO					1,934.00

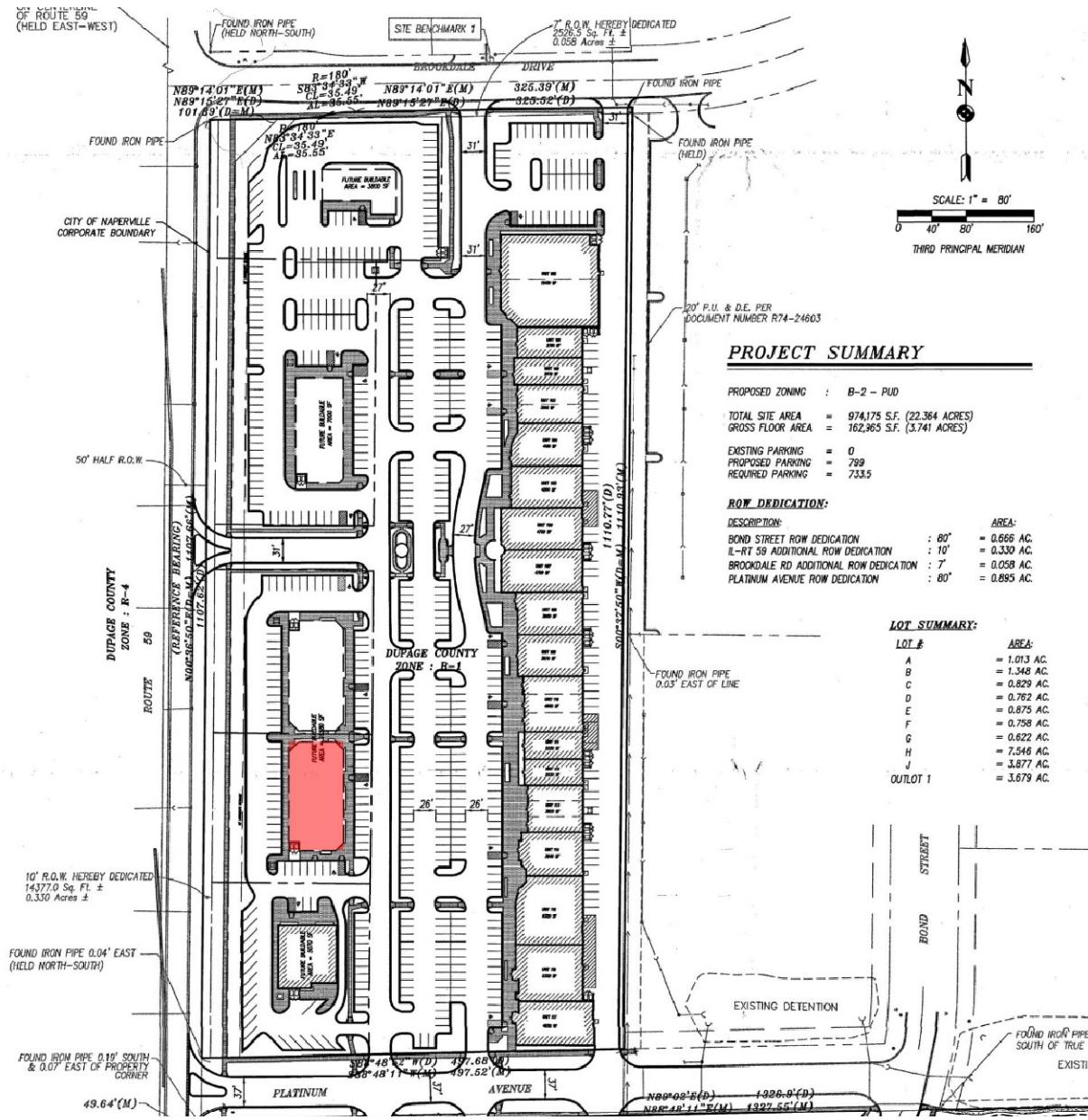
Summary	Total Units	Percentage	Total Area	Percentage
Occupied	19	90.5 %	98,690 SF	95.2 %
Vacant	02	9.5 %	4,990 SF	4.8 %
Total	21		103,680 SF	

Rent Roll - Occupancy Summary

Source: Design Pointe Property Management

As presented in Table 1, there is currently 103,680 SQFT of leasable space in the development. 4,990 SQFT of this space is vacant. A parking study was conducted to determine the existing parking demand based on existing conditions and the projected parking demand as a result of the proposed development. The study involved on-site data collection, land use calculations, and a shared parking analysis. **Figure 1** presents the development at full build-out.

Figure 1: Development Plan at Full Build-Out



Source: Larson Engineering of Illinois

As seen in Figure 1, the proposed development is highlighted in red and is not yet developed. There are 460 parking spaces to service this area, but the spaces surrounding the proposed development are not

yet striped. In addition, the actual parking space layouts vary from the Figure 1. For this reason, the parking spaces were counted on-site to ensure the inventory numbers were accurate.

DATA COLLECTION

Parking utilization or occupancy represents the demand for parking during peak periods. On Friday, July 8th and Saturday, July 9th, on-site occupancy counts were performed to represent a typical weekday and weekend. The counts determined the peak hour and day for the existing development. For the ease of collecting data, the existing lots were divided and named, presented in **Figure 2**.

Figure 2: Design Pointe Parking Lots



Source: Google Earth

According to the Urban Land Institute's (ULI) 3rd Edition of Shared Parking, the peak hours for retail occur at 12:00PM and 1:00PM on weekdays, and at 1:00PM and 2:00PM on weekends. Fast/Casual restaurants experience a similar peak as well. For this reason, occupancy counts were performed at the time intervals stated. **Table 2** presents the inventory and occupancy data.

Table 2: Inventory and Occupancy Data

Surface Lot	Inventory	Weekday Occupancy		Weekend Occupancy	
		12:00PM	1:00PM	1:00PM	2:00PM
Northeast Lot	27	3	5	2	5
Back Lot	38	22	21	16	16
South Lot	158	28	28	24	20
Middle Lot	32	9	12	16	15
North Lot	57	17	20	9	12
Chase Bank Lot	31	9	9	8	2
McDonald's Lot	40	14	14	8	7
Grand Appliance Lot	37	6	5	9	7
Jimmy John's Lot	40	25	9	11	5
Total	460	133	123	103	89
Percent Occupancy	-	29%	27%	22%	19%

Prepared by DESMAN

Parking areas are designed to have some percentage of the parking spaces vacant even during peak demand periods. This concept, known as the *practical capacity*, refers to the operational efficiency of a parking area. Ideally, 10-15% of the spaces in a lot are available to accommodate new parkers. Generally, a parking lot for a mixed-use development is perceived by its users to be at full operational (effective) capacity when occupancy levels reach 85%. Once this rate is exceeded, potential parkers find it difficult to locate open spaces and are more likely to continue to search for an available space, creating traffic flow problems, frustrating drivers, and ultimately leading them to park elsewhere.

In the existing development, the occupancy counts were relatively low in comparison to the practical capacity. As presented in Table 1, the peak hour occurred at 12:00PM during the weekday at just 29% occupancy.

ADJUSTMENTS

Following the data collection, a number of adjustments were made to more accurately predict the peak parking demand at the development. Although the occupancy counts were calculated in July, the peak month for parking at shopping centers typically occurs in December. According to the ULI publication, the occupancy during the month of July is 70% of the December peak. To account for the additional demand forecasted in December, an adjustment was made to the July occupancy counts. If the July peak of 133 vehicles is 70% that of December, then December would see a peak of 190 vehicles.

Next, an adjustment was made to the 190-space December peak to account for the 4,990 SQFT of vacant retail space. Assuming the vacant commercial space is leased at some point, it would generate an

additional demand for nine spaces on the weekdays and seven spaces on the weekend. This brings the December peak from 190 spaces to 199 spaces.

Table 3 presents the adjustments made from the data collection to accurately establish the base conditions for which parking demand is generated.

Table 3: Parking Demand Adjustments

Development	Inventory	Occupancy		December Adjustment		Vacany Adjustment	
		Weekday	Weekend	Weekday	Weekend	Weekday	Weekend
Existing Development	460	133	103	190	147	199	154
Percent Occupancy						43%	33%

Prepared by DESMAN

As presented in Table 3, the peak demand occurs during the weekday at 199 spaces. With a 460-space inventory, the development would be at 43% capacity. This is well below the practical capacity of 85%.

PROPOSED DEVELOPMENT PARKING DEMAND

The parking demand as a result of the proposed development on the out-parcel was calculated for the peak month and hour. The City of Naperville Municipal Code sets ordinances for required parking. The proposed development includes a 1,971 SQFT GFA dental office, 3,700 SQFT GFA restaurant, 3,100 SQFT GFA retail/office, and 128 SQFT GFA sprinkler room. The parking ratio represents the number of vehicles per 1,000 SQFT GFA that will be generated at the peak month and hour. **Table 4** presents the parking requirements required by the City of Naperville Municipal Code.

Table 4: Proposed Development Municipal Code Parking Requirement

Land Use	Size	Units	Parking Ratio	Code Required Parking
Retail/Office	3,100	SQFT	5.00	16
Restaurant	3,700	SQFT	10.00	37
Dental Office	1,971	SQFT	5.00	10
Sprinkler Room	128	SQFT	0.00	0
Total				63

Source: City of Naperville

As presented in Table 4, there are 63 total parking spaces required by code. The restaurant is the highest demand generator as a fine/casual establishment. It was assumed that 100% of customers and employees would drive to the site, and 8% of restaurant customers would be captive to other uses in the development. The captive rate represents the percentage of people who visit the development for a primary use, but utilize multiple venues while parked in the same space. Based on multiple studies of shopping centers by the ULI, this is an appropriate captive rate because it assumes 8% of customers will utilize the restaurant as a secondary use.

TOTAL PROJECTED PARKING DEMAND

Parking utilization trends along with projections for future growth were used to estimate the future parking demand trends in the study area. With a peak demand of 199 spaces established in the base conditions, and the additional 63-space code required parking as a result of the proposed development, the occupancy is estimated to reach 262 vehicles. With 460 parking spaces established in the base conditions, and 38 planned parking spaces with the proposed development, the percent occupancy will still only reach 53%. This is well below the practical capacity of 85%.

The development has a surplus of parking likely because the surface lot was designed for full build-out. Several buildings from the original plan documents are not yet built, particularly on the south end. In addition, it was noted that the retail store Studio 41 occupies a large portion of leasable space in the main retail center. This means much of the customer demand in this development is reliant on Studio 41, a furniture/appliance store, which typically has a low trip generation per square foot in comparison to other types of retailers.

CONCLUSION

The proposed development at 1336 Route 59 in Naperville consists of 8,899 SQFT GFA. The data collection revealed that the existing development was at 29% occupancy. With the peak month adjustment and vacancy considerations, the base conditions resulted in a 199-space demand at 43% occupancy. With the proposed development, the demand will rise by 63 spaces to 53% occupancy. Assuming that 38 parking spaces will be added, the development will still experience a parking surplus of about 236 spaces. For this reason, it is determined that the development has a comfortable surplus of parking.