

January 23, 2024

Timothy Huskett, P.E., CFM
Sefton Engineering Consultants
40 Stutz Bearcat Drive
Sedona, AZ 86336

**RE: Oak Creek Heritage Lodge Parking Needs Study
Sedona, Arizona
Kimley-Horn Project: 09835002**

Dear Mr. Huskett:

Kimley-Horn and Associates, Inc. (“We” or “Kimley-Horn”) is pleased to provide the following *Parking Needs Study* for the proposed Lodge with restaurant, spa, and meeting space (the “Lodge” or “Site”) located on Schnebly Hill Road and Bear Wallow Lane in the City of Sedona, Arizona. The following analysis represents our professional opinion of the appropriate parking ratios required for the Lodge based on industry-supported research, comparable Lodge developments, land use types, and proposed parking demand management strategies provided by R.D. Olson Development (the “Developer”).

This study has been prepared in accordance with the Sedona Land Development Code (the “Code”), Sec. 5.5. Unadjusted, the Code requires a total of **204 parking stalls**. However, this number is calculated before considering the shared use of parking between the Lodge and on-site amenities, such as the restaurant and wellness spa, that are patronized primarily by Lodge guests. Based on the findings of this study, Kimley-Horn recommends a total supply of **at least 87 parking stalls** to address the Lodge’s projected peak-hour shared parking needs.

Project Overview

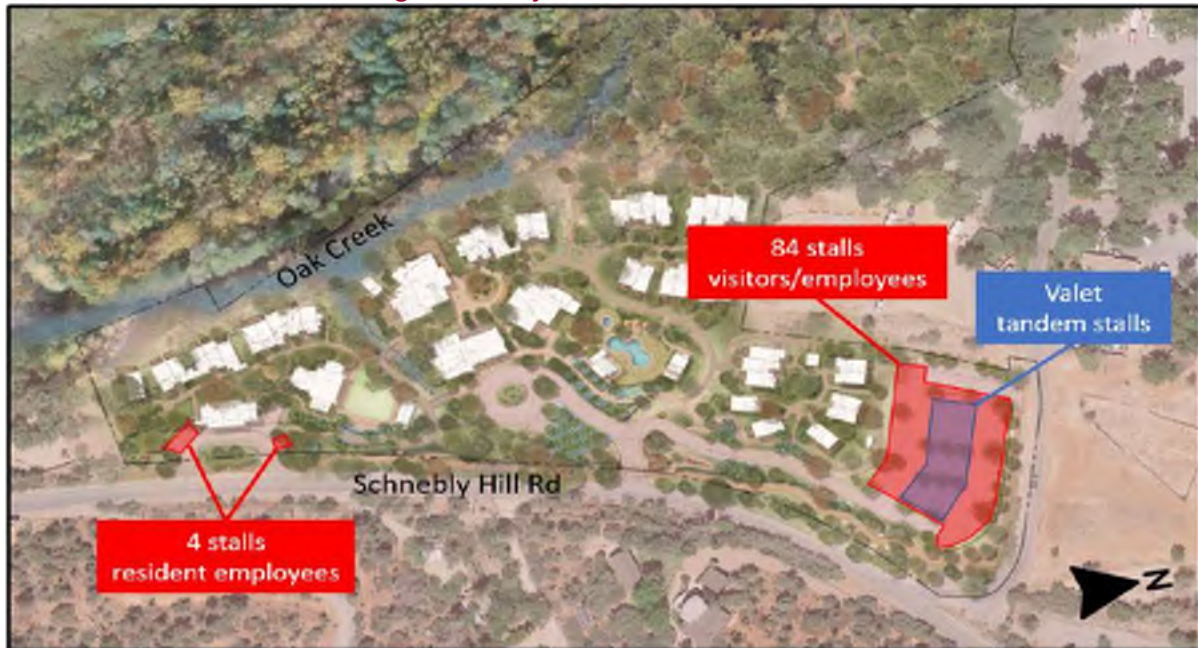
The Developer is planning for the construction of a new boutique Lodge in Sedona, called Oak Creek Heritage Lodge, north of the Hwy 179/Schnebly Hill Rd roundabout on the west side of Schnebly Hill Road and adjacent to Oak Creek. 90 parking spaces are proposed in the current site plan. **Figure 1** on the next page shows the Site and the general context of these parking resources. A larger illustrative site plan is included in **Attachment A** at the end of this report.

The Developer’s project, called Oak Creek Heritage Lodge, will contain 70 guest rooms, a 3,300 SF wellness spa with 4 treatment rooms, a 7,100-SF restaurant including 2,500 SF of outdoor seating, roughly 1,900 SF of meeting space, and workforce housing units consisting of 4 studio apartments averaging roughly 400 SF. There are a total of 90 proposed parking spaces. All uses on the site are closely related to the Lodge use and fall under a single ITE Land Use Code (310) for trip generation purposes (see separate related Kimley-Horn traffic impact analysis report). The entire site is approximately 11.58 acres of developable land. At 6.04 rooms per acre, the project is a medium-density lodging development (Sec. 5.5.D.1).

The site is approximately 0.3 miles from the nearest commercial and shopping area at Tlaquepaque Arts and Shopping Village near Uptown. The closest public bus stop to the site is adjacent to this shopping center along Highway 179, providing stops in Sedona and neighboring Cottonwood. Lodge shuttle service connecting guests to destinations within 2 miles of the site has been proposed in the project plan. Other plans include e-bike and manual bike rentals for Lodge guests and bike parking and shower facilities for Lodge staff.

The planned 84-stall main parking lot will be at the northeast corner of the site, with a small parking area (2 spaces) near the main visitor entrance and 4 spaces provided for the employee residential units. Valet parking for visitors (Lodge and meeting/banquet event guests, wellness spa patrons, and restaurant patrons) will be provided. To help mitigate staff parking demand, the Lodge plans to hire a dedicated employee transportation coordinator and offer employee commuting incentives for bus passes, carpooling, and ridesharing. These are common and effective Transportation Demand Management (TDM) strategies.

Figure 1: Project Illustrative Site Plan



There is no on-street parking allowed on Schnebly Hill Road (adjacent to the site in **Figure 1**), which will provide sole access to the Lodge and related buildings and northeast parking lot. Therefore, we assume that 100% of guests and staff who arrive at the Lodge by personal vehicle will utilize the onsite parking shown in **Figure 1**.

Code-Required Parking Ratios

The City’s Development Code Sec. 5.5.C(5) and LDC Table 5.2 specifies parking requirements based on two metrics: 1.) total guest rooms and 2.) square footage for other land use types. Based on the Code, a total of 202 parking stalls would be required for the proposed uses as shown below in **Table 1**.

Table 1: City of Sedona Land Development Code-Required Off-Street Parking Spaces*

Use type	Measurement criteria	Ratio	Required minimum off-street parking spaces
Lodging	70 rooms	1/room + 10%	77
Restaurant	7,100 SF	1/100 sq. ft.	71
Personal Services (spa)	3,300 SF	1/250 sq. ft.	14
Meeting rooms	1,900 SF	1/50 sq. ft.	38
Studio apartment	4 units	1/unit	4
TOTAL			204

*Parking requirements rounded to the nearest whole parking stall for each land use.

CAPTIVE & DRIVE RATIO ASSUMPTIONS

For the purposes of our shared parking analysis, we utilized an industry standard tool published with the Urban Land Institute's (ULI) *Shared Parking, 3rd Edition*. This model includes a standard ratio for Lodge amenities such as meeting/banquet space, spa facilities, and other Lodge secondary uses, but also recommends significant "captive" adjustments to these ratios to account for on-site guest use of these amenities.

The following captive assumptions have been applied to the model for the site:

- **Lodge:** Since the Lodge is the primary land use at the site, 0% of Lodge visitors were considered captive. Captive visitor land uses are comprised of the amenities that complement the Lodge—the restaurant, meeting/banquet space, and spa.
- **Restaurant:** 80% of restaurant customers were considered captive (meaning their parking demand is accounted for as Lodge guests). This adjustment accounts for the fact that there are many restaurant options in the area but that most guests will likely eat some of the meals on-site. Meanwhile, the restaurant may draw some off-site usage, especially as a unique dining option for non-Lodge guest visitors.
- **Meeting Rooms:** based on expected usage of the meeting space and typical event attendees for gatherings such as business retreats and weddings, we assumed that 70% of meeting/banquet spaces visitors are captive and 30% are generated from off-site.
- **Spa:** We assumed that 70% of spa guests are captive and 30% are non-captive, which is lower than the ULI average but in line with the Sedona spa market, which is relatively saturated and aims to cater primarily to on-site customers rather than drawing outside visitors .

Note that the outdoor seating area of the proposed restaurant is not considered an applicable Accessory Use for the purpose of parking reduction since it accounts for more than 20% of the total restaurant square footage under current plans (Sec. 5.5.D.1). Therefore, the restaurant's combined indoor-outdoor square footage is used in our model.

The following driving assumptions have been applied to the model:

- For all land uses, we adjusted for employee driving commute patterns based on American Communities Survey (ACS) 2020 data profiles of Sedona residents (shown in **Figure 4** on page 7):
 - Single-occupancy vehicle (SOV) commuters who are office employees were adjusted to 65%.
 - SOV commuters who are service employees were further adjusted from 65% to 79% to account for the fact that working from home (18.2% of Sedona workers) is generally not an option for service industry jobs.
- **Restaurant:** Assumed 50% of restaurant visitors drive to the site from offsite.
- We also adjusted to assume 90% of Lodge guests arrive by personal vehicle and 10% arriving by other modes such as charter van, taxi, or TNC (Uber, Lyft, etc.), which would not generate parking demand.

The development proposes to provide a transportation coordinator that will help service industry workers to identify cost-effective options for commuting to and from work. Typical alternatives for workers may include carpooling, public transit, pick-up/drop-off, or walking and biking (if the distance and connections between home and work are feasible).

Support for Reduced Ratios

Kimley-Horn is requesting a reduction in the site’s parking requirements based on the analysis provided in this report and as allowed in Sec. 5.5(C)5. The following criteria form the basis of this request:

- The proposed on-site parking exceeds industry standard ratios for leisure Lodges and associated on-site amenities as published by the Urban Land Institute (ULI).
- Local commute statistics provided by the ACS 2020 indicate that 35% of Sedona-area workers commute by means other than SOV. The Lodge’s proposed employee transportation demand management (TDM) strategies mentioned previously indicate a significant opportunity to use TDM to minimize employee parking demand.
- According to a large body of research from the UCLA Department of Urban Planning and others, “right-sized” parking ratios, which take a finer-grain approach to demand planning than what is accounted for in municipal land use codes, are a recommended strategy for reducing the community cost of over-supplied parking.
- The parking and land use efficiencies detailed in this report directly support the City’s emphasis on preserving and maximizing the area’s natural beauty and distinct neighborhoods, which is consistent with the Sedona Community Plan and Schnebly Community Focus Area Plan.

These findings are discussed in more detail below and on the following pages.

ULI / ITE PROJECTED SHARED-USE PARKING DEMAND

For national context, we reviewed the most recent published data on parking demand for leisure-style Lodges including ITE’s *Shared Parking Generation, 5th Edition* (2019) and ULI’s *Shared Parking, 3rd Edition* (2020). ULI findings (which incorporate the ITE data) are shown below in **Table 2**.

Table 2: Recommended ULI Parking Ratios for Leisure Lodge and Associated Land Uses

Land Use	Weekday			Weekend			unit of measure
	Guests	Employees/Residents	Total	Guests	Employees/Residents	Total	
Hotel (leisure)	1.00	0.15	1.15	1.00	0.15	1.15	rooms
Restaurant/lounge	6.67	1.20	7.87	7.67	1.33	9.00	kSF GLA
Retail (spa)	2.90	0.70	3.60	3.20	0.80	4.00	kSF GLA
Meeting/banquet (20-50 SF/key)*	30-20	2-1.5	32-21.5	20-10	2-1.5	22-11.5	kSF GLA
Studio efficiency	0.10	0.85	1.00	0.10	0.85	1.00	dwelling units

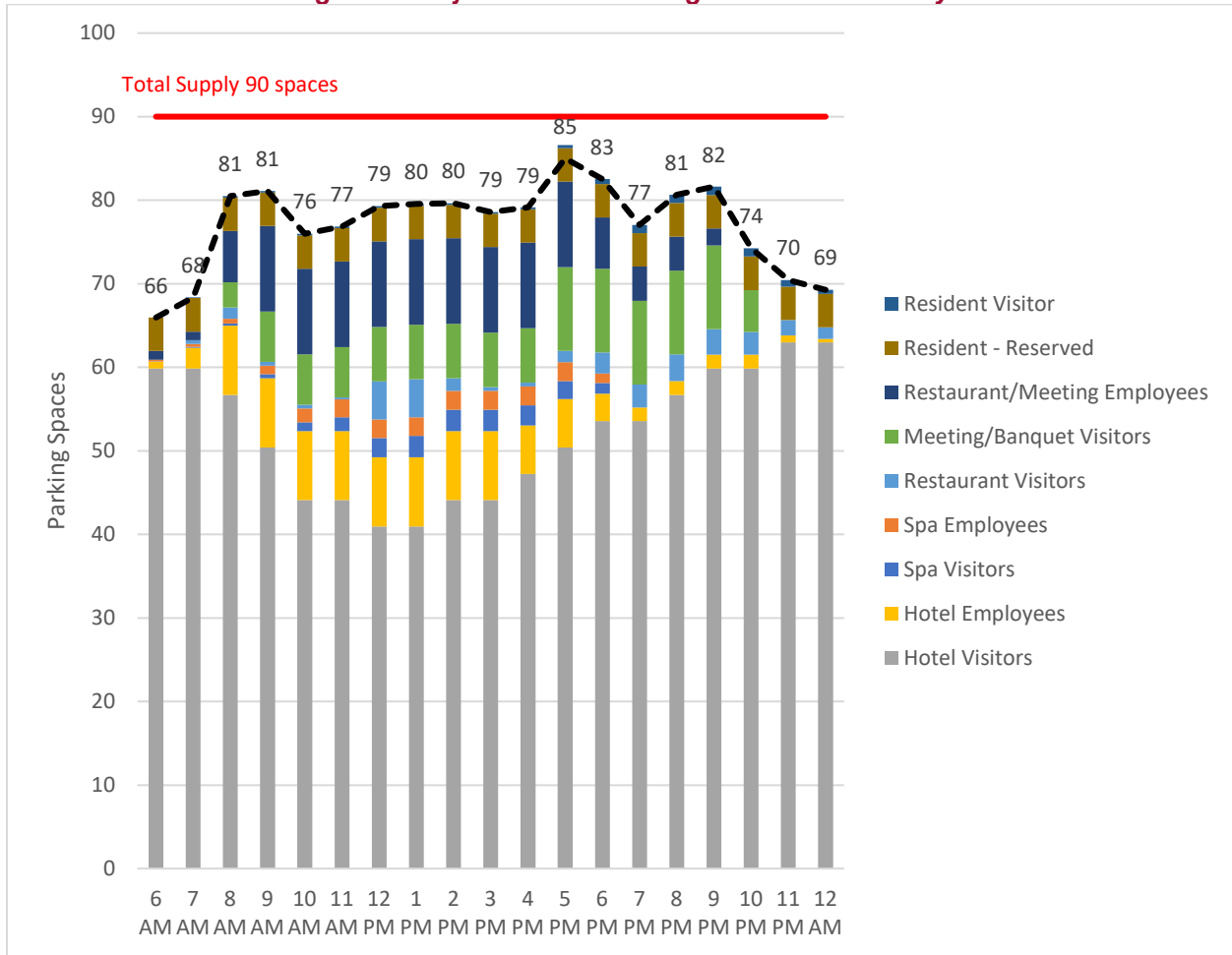
*The Lodge’s meeting space is 1,900 SF. Stall recommendations based on ULI ratios will be shown in more detail in *Summary and Conclusions*.

ULI provides separate parking ratio recommendations for each land use type. The Lodge includes four land use types detailed in **Table 2**. The restaurant, spa and meeting space primarily serve as direct amenities for Lodge guests. So, our model will project shared parking demand for Lodge guests who are also restaurant, spa and meeting room patrons, as well as Lodge employees who are also restaurant, spa and meeting employees based on these ULI ratios.

Figure 2 and Figure 3 below show total estimated weekday and weekend peak-hour parking stall demand in the high season based on our model derived from ULI ratios and adjusted with the criteria described previously. The model accounts for visitors parked onsite for a primary land use (such as Lodge) who also

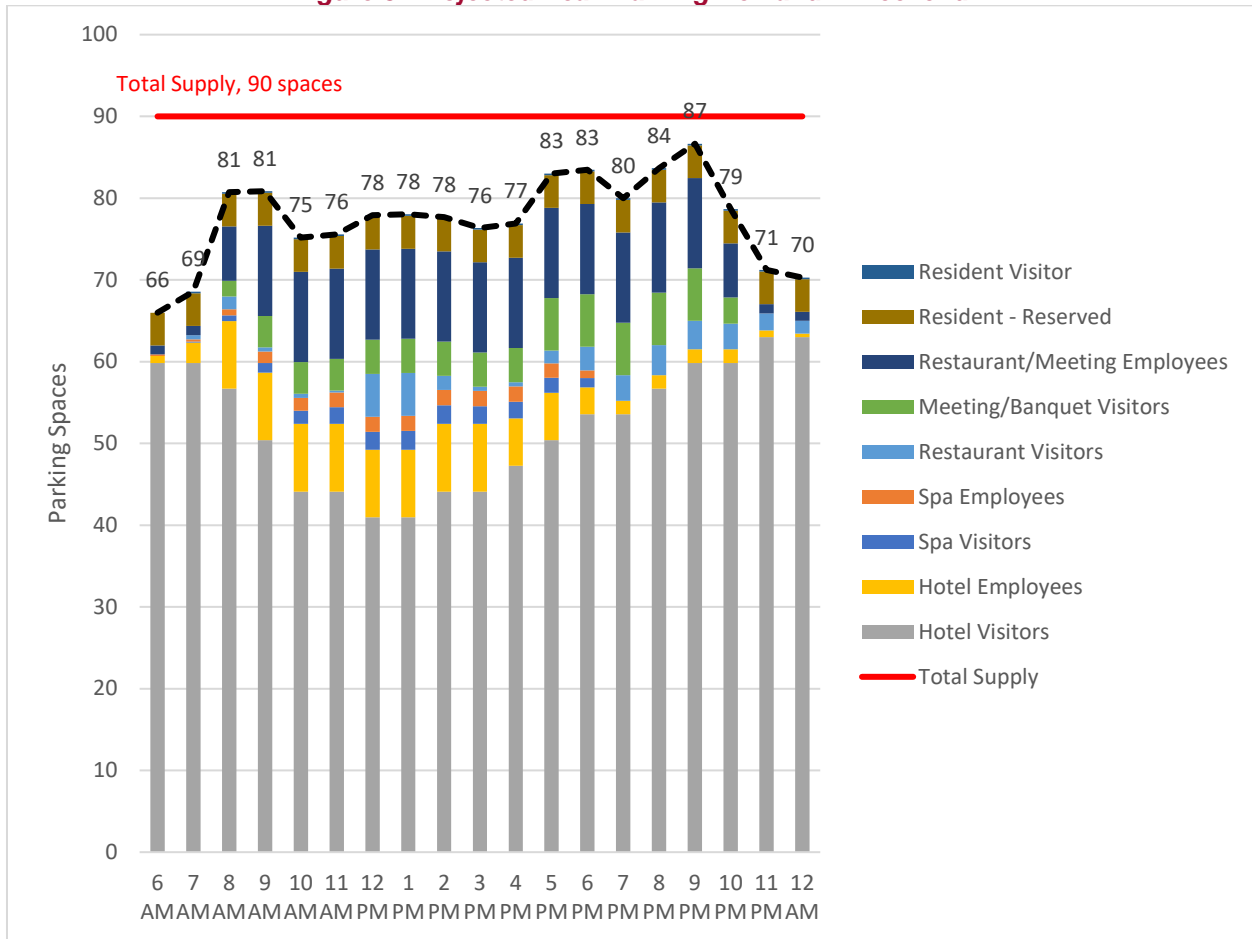
patronize other land uses (such as the spa, restaurant, banquet, etc.). Chart categories such as “spa visitor” therefore show parking demand only from spa customers arriving from outside the Lodge.

Figure 2: Projected Peak Parking Demand - Weekday



Weekday peak demand is projected to be 85 spaces at approximately 5:00pm in a scenario when a business retreat or other type of weekday event is utilizing the meeting/banquet space and Lodge guests are returning to the site after daytime activities.

Figure 3: Projected Peak Parking Demand – Weekend



Weekend peak demand is projected to be 87 stalls at approximately 9:00pm during a busy banquet event scenario when a high percentage of non-event Lodge guests are back onsite in their rooms or at the restaurant. 87 stalls is therefore the projected peak parking demand during high season at the Lodge and thus the recommended parking supply needed to meet peak design-day Lodge conditions onsite.

Table 3 in Summary and Conclusions provides a consolidated summary of the required parking ratio, ULI-recommended ratio before accounting for shared use, and Kimley-Horn’s shared use parking demand projections that form the basis of our recommended parking supply for the Lodge.

Employee Commute Patterns and TDM Strategy

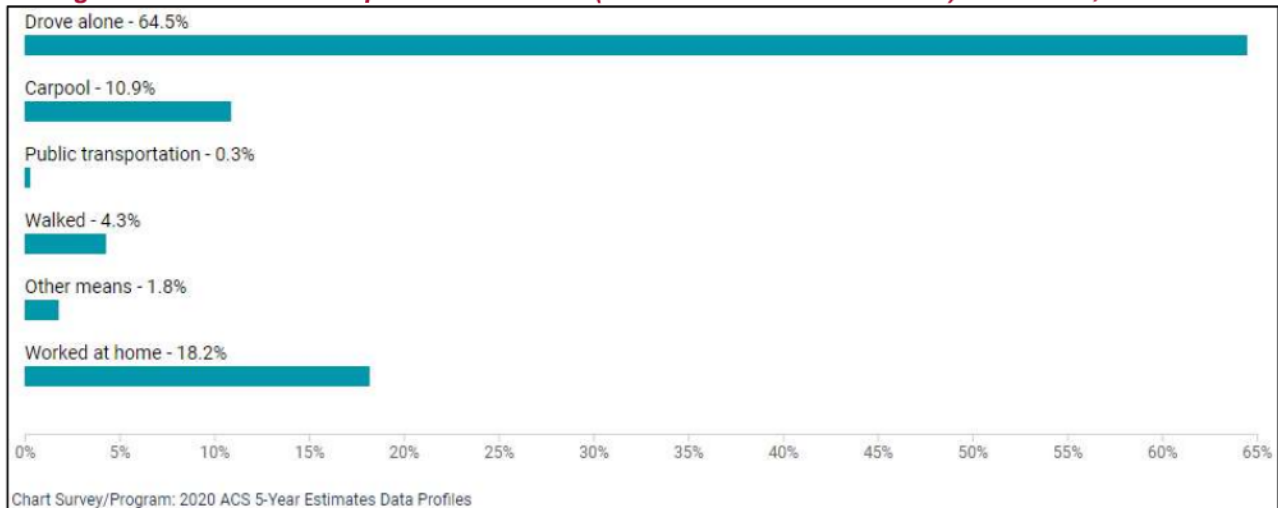
The Lodge plans indicate a motivation to implement TDM strategies to minimize on-site parking demand from Lodge visitors and employees. We estimate that incentives to increase the attractiveness of transit, walking, biking and carpooling will appeal to Sedona-area employees, a sizeable portion of whom tend not to commute by SOV (**Figure 4** below).

The Lodge has indicated the following TDM strategies will be implemented:

1. Local shuttle
2. E-bikes and manual bikes for Lodge visitor use

3. Employee bike showers/lockers
4. Onsite dedicated employee transportation coordinator
5. Employee Verde Shuttle passes
6. Employee carpool and ride-matching assistance

Figure 4: Means of Transportation to Work (Workers 16 Years and Over) in Sedona, Arizona



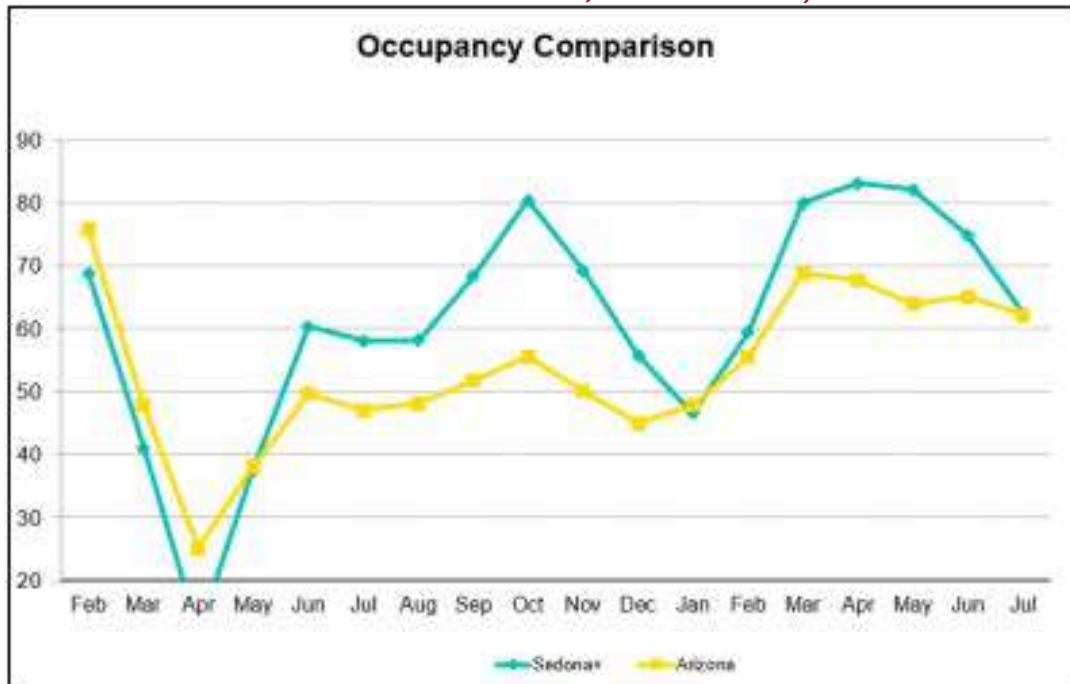
Localized, well-planned employer TDM incentives can result in an average 16.4% SOV employee commute reduction at a relatively low cost to the employer, according to the Transportation Cooperative Research Program Project B-4.

The Lodge’s visitor- and employee-focused TDM incentives and local commute patterns therefore support the parking reductions indicated by our model. These strategies are also consistent with the GO! Sedona Pathways Plan 2020 to increase bike and pedestrian options throughout the city.

Lodge Occupancy Statistics for Rightsizing

To support the ULI-recommended ratios with local context, we also evaluated recent Sedona-area Lodge occupancy rates. **Figure 5** below shows Lodge occupancy rates from 2020-2021.

Figure 5: Feb. 2020-July 2021 Sedona Monthly Lodge Occupancy Rates (Excluding <10 rooms, Short-Term Rental Units, and Timeshares)



Source: Sedona Chamber of Commerce Aug. 2021 Economic Report

This recent data shows a wide seasonal variation in Sedona-area Lodge occupancy rates (as well as an unseasonably drastic drop in occupancy related to the March-April 2020 COVID-19 shutdowns) with an approximate peak occupancy rate of 83% during the 2021 spring tourism high season and 46% during the December low season. This occupancy rate peak, which recovered quickly following the pandemic-related tourism lull compared to tourism key indicators in other areas of the country, is comparable to pre-pandemic occupancy rate peaks reported by the Sedona Chamber of Commerce. This data projects a high season peak occupancy of 58 rooms and a low season peak occupancy of 32 rooms for the Lodge.

A more equal ratio of parking supply to peak Lodge room occupancy than what is built into the City Code will benefit the cost and spatial efficiency goals of the Lodge plans while mitigating impacts to the surrounding neighborhood. The overall Lodge guest experience is also expected to be unaffected by a parking reduction since the free valet service will relieve visitors from searching the parking lot for an available space during periods of higher parking lot utilization in peak season and other high-demand times. Valet staff have the option to implement vehicle stacking techniques to accommodate vehicles during high-demand periods such as dinner hours during special events like larger weddings.

Additionally, the planned shuttle service will allow many guests the option to travel to nearby destinations without using their vehicles, which has a secondary benefit of reducing parking demand in high-traffic areas such as Uptown throughout the day.

SUMMARY AND CONCLUSIONS

Table 3: Peak Parking Stall Demand and Adjustments (From ULI Shared Parking and ITE Parking Generation)

Land Use	City Code-Required	ULI/ITE Base Demand (Before Shared Use)				ULI/ITE Projected Peak Shared-Use Demand			
		Weekday – 5pm		Weekend – 9pm		Weekday – 5pm		Weekend – 9pm	
		Guest/Visitor	Employee/Resident	Guest/Visitor	Employee/Resident	Guest/Visitor	Employee/Resident	Guest/Visitor	Employee/Resident
Lodge	77	70	11	70	11	50	6	60	2
Restaurant	71	48	10 ¹	55	11 ¹	1	8 ¹	4	9 ¹
Wellness Spa	14	10	3	11	3	2	2	-2	-2
Meeting/Banquet	38	53	3 ¹	34	3 ¹	10	2 ¹	6	2 ¹
Residential (Studios)	4	1	4	1	4	-2	4	-2	4
TOTALS	204	182	31	171	32	63	22	70	17
						85		87	

¹ The ULI recommendations combine restaurant and meeting employees into one category. The employee distributions for these two land uses have been allocated based on the proposed restaurant and meeting/banquet space square footage.

² The wellness spa is assumed to be closed at 9pm on weekends when projected peak parking demand occurs. Resident visitor parking demand is assumed to be null during the projected weekday (5pm) and weekend (9pm) peak demand periods.

Based on the above analysis using the ULI/ITE shared parking demand model, Kimley-Horn recommends approval of the Lodge plan with a supply of **at least 87 parking stalls**¹ to meet peak demand with onsite parking capacity, as represented in **Table 3** above. Kimley-Horn therefore projects the **proposed parking supply of 90 stalls** will fully accommodate peak demand onsite while adhering to the land use efficiency, conservation, and sustainability principles emphasized by the City of Sedona. This recommendation is supported by ITE/ULI data-driven recommended ratios and our professional assumptions based on the development program. The fully valet-managed parking operations will ensure the parking lot is used efficiently at peak demand times.

We believe that the Lodge's right-sized parking lot will help the City of Sedona meet its goals of environmental preservation and neighborhood connectivity as laid out in its short- and long-term transportation and mobility plans.

Please feel free to reach out with any questions regarding this analysis.

Sincerely,

KIMLEY-HORN AND ASSOCIATES, INC.



By: Jeremiah Simpson
Parking and Mobility Planner

By: Brent Crowther, P.E., PTOE
Senior Associate

Attachments

- A: Oak Creek Heritage Lodge Illustrative Site Plan – 2024-01-23

¹ Note that the minimum accessible parking spaces is 4 based on a parking lot with 76-100 total spaces under AADAG guidelines; up to 10 compact stalls (10%) are also allowed per City code.

