

Date of Hearing: May 11, 2022

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

AB 2097 (Friedman) – As Introduced February 14, 2022

Policy Committee:	Local Government	Vote:	6 - 2
	Housing and Community Development		6 - 1

Urgency: No      State Mandated Local Program: Yes      Reimbursable: No

**SUMMARY:**

This bill prohibits a public agency from imposing or enforcing a minimum parking requirement on developments located near public transit. Specifically, this bill:

- 1) Prohibits a public agency from imposing or enforcing a minimum automobile parking requirement for residential, commercial and other developments if the parcel is located within one-half mile walking distance of a high-quality transit corridor or a major transit stop.
- 2) Authorizes a public agency to impose requirements on parking provided voluntarily to require spaces for car share vehicles, require spaces to be shared with the public or require parking owners to charge for parking.
- 3) Specifies the prohibition on public agencies enforcing minimum parking standards does not reduce, eliminate or preclude the enforcement of any requirement imposed on a new multifamily residential or nonresidential development to provide electric vehicle parking spaces or parking spaces accessible to persons with disabilities that would have otherwise applied to the development.
- 4) Specifies the prohibition on minimum parking requirements noted above does not apply to commercial parking if it conflicts with an existing contractual agreement executed before January 1, 2023, provided all required commercial parking is shared with the public. Further specifies the prohibition noted above does apply to an existing contractual agreement amended after January 1, 2023, if the amendments do not increase commercial parking requirements. A project may, however, voluntarily build additional parking that is not shared with the public.
- 5) Declares this bill addresses a matter of statewide concern rather than a municipal affair and therefore applies to all cities, including charter cities.

**FISCAL EFFECT:**

No state costs. Local costs resulting from this bill are not reimbursable by the state because local agencies have general authority to charge and adjust planning and permitting fees to cover their administrative expenses associated with new planning mandates.

**COMMENTS:**

1) **Purpose.** According to the author:

Many cities in California require new residential or commercial development to provide on-site parking spaces. Often, apartments must include one or two parking spots per unit, and commercial properties must provide one space for every 100-200 square feet (frequently causing more space to be provided for parking than for the business itself). These one-size-fits-all mandates are often imposed even in areas that are close to transit.

[This bill] does not prohibit property owners from building on-site parking. Rather, it would give them the flexibility to decide on their own how much on-site parking to provide, instead of requiring them to comply with a one-size-fits-all mandate.

2) **Background.** Existing law allows cities and counties to establish minimum parking requirements for both residential and nonresidential buildings. Parking minimums are commonly indexed to conditions related to the building or facility with which they are associated. For example, shopping centers may have parking requirements linked to total floor space and restaurants may be linked to the total number of seats, while hotels and residential units may have parking spaces linked to the number of beds or rooms.

Data shows the average cost per parking space, excluding land cost, for a parking structure in the United States is \$24,000 for an aboveground parking space and \$34,000 for an underground space. Parking requirements can increase the cost of housing production and render some projects infeasible, whether financially as a result of the cost of constructing parking, or physically due to capacity limitations of some sites. Recognizing this, existing law provides various options for reduced parking requirements related to affordable housing. For instance, the Density Bonus Law, which generally incentivizes the inclusion of affordable housing in a development, reduces the amount parking a local government can require in some cases, and eliminates parking requirements altogether for a project within one-half mile of a major transit stop in which 100% of the units in the development are affordable.

This bill prohibits public agencies from imposing minimum parking standards on developers if a development is within one-half mile of transit. Although some cities have moved to eliminate parking near transit, some impose standards that do not reflect demand for parking and add cost to the development. This bill does not require a developer to eliminate parking entirely. A developer could choose to include parking based on perceived demand, based on bedroom size and the market price of the unit.

3) **Arguments in Support.** The California Home Building Alliance (HBA), writes in support, “By reducing the overbuilding of parking, this bill would reduce traffic, greenhouse gas emissions and air pollution, reduce the cost of housing to renters and homeowners and improve the prospects of small neighborhood businesses fighting to survive during the pandemic.”

4) **Arguments in Opposition.** The League of California Cities writes in opposition, “Restricting parking requirements within one-half mile of a high-frequency transit route does

not guarantee individuals living, working or shopping on those parcels will actually use transit. Many residents will continue to own automobiles and require nearby parking, which will only increase parking demand and congestion.”

**5) Related legislation.**

AB 1401(Friedman), of this legislative session, was substantially similar to this bill. AB 1401 was held on the Suspense File in the Senate Appropriations Committee.

SB 1067 (Portantino), of this legislative session, prohibits cities and counties from imposing parking minimums on certain housing developments within one-half mile of a major transit stop. SB 1067 is pending in the Senate Appropriations Committee.

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