

Date of Hearing: April 26, 2023

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Buffy Wicks, Chair

AB 894 (Friedman) – As Amended April 20, 2023

SUBJECT: Parking requirements: shared parking

SUMMARY: Requires public agencies to allow proposed and existing developments to count underutilized and shared parking spaces toward a parking requirement imposed by the agency. Specifically, **this bill:**

- 1) Defines “underutilized parking” to mean parking where 20 percent or more of an entity’s parking spaces are available during the period that the parking is needed by another use, group, entity, or the public.
- 2) Requires public agencies to allow entities with underutilized parking to share their underutilized parking spaces with the public, other public agencies, or other entities.
- 3) Requires public agencies to allow shared parking arrangements to be counted toward meeting any automobile parking requirement for a new or existing development or use under any of the following conditions:
 - a) The entities that will share the parking are located on the same or contiguous parcels;
 - b) The sites of the entities that will share parking are separated by no more than 2,000 feet of travel by the shortest walking route; or
 - c) The sites of the entities that will share parking are separated by more than 2,000 feet of travel by the shortest walking route, but there is a plan for shuttles or other accommodations to move between the parking and the site.
- 4) Requires entities that are sharing parking as provided in the bill to enter into a shared parking agreement that outlines the terms under which parking will be shared.
- 5) Provides that a public agency cannot require the curing of any preexisting deficit of the number of parking spaces as a condition for approval of the sharing of underutilized parking spaces.
- 6) Provides that a public agency cannot deny a shared parking agreement between entities solely on the basis that it will temporarily reduce or eliminate the number of parking spaces available at the developments sharing the underutilized parking.
- 7) Requires local agencies to allow a development project in which a designated historical resource is being converted or adapted to meet the minimum parking requirements through the use of offsite shared parking.
- 8) Specifies that this bill does not reduce, eliminate, or preclude the requirement for new development to provide parking spaces that are accessible to persons with disabilities that would have otherwise applied to the development.

- 9) Requires a public agency, private landowner, or lessor to examine the feasibility of shared parking agreements to replace new parking construction or limit the number of new parking spaces that will be constructed in either of the following circumstances:
 - a) When state funds are being used on a proposed new development; or
 - b) Before a parking structure or surface parking lot is developed using public funds.
- 10) Specifies that nothing in this bill shall be interpreted to require that parking be offered without a cost or at a reduced cost to the user.

EXISTING LAW:

- 1) Requires each city or county to adopt a general plan for the physical development of the city or county and authorizes the adoption and administration of zoning laws, ordinances, rules, and regulations by cities and counties (Government Code Section 65300 – 65404).
- 2) Enables the legislative body of any county or city to adopt ordinances that establish requirements for off-street parking and loading. (GC 65850(d))

FISCAL EFFECT: Unknown.

COMMENTS:

Author’s Statement: According to the author, “Assessments recently quantified the number of parking spaces in the state’s most populous regions and found abundant parking even in areas where parking is perceived to be in short supply. The results of these assessments confirm that what is often lacking in many communities is not parking, but rather tools and regulations that allow existing parking to be shared more effectively. At the same time, new technologies make it easier than ever to share existing parking resources. Unfortunately, many jurisdictions have not updated policies to reflect evidence of shared parking benefits and increasing tools that make it easy to manage shared parking resources.

“This bill requires that jurisdictions acknowledge shared parking as a legitimate strategy to meet parking demands in a manner that supports more affordable development, avoiding wasteful excessive parking development and its associated contributions to congestion, greenhouse gas emissions, and neighborhood safety.”

Planning for Parking: The California Constitution provides cities and counties the authority to regulate behavior to preserve the health, safety, and welfare of the public. This provision, commonly called the police power, gives cities and counties broad authority to regulate land use and other matters, provided that the local policy is “not in conflict with general laws.”

Cities and counties use their police power to enact zoning ordinances that shape development, such as setting maximum heights and densities for housing units, setbacks to preserve privacy, lot coverage ratios to increase open space, and others. Through this authority, cities and counties may also establish parking requirements for nonresidential and residential buildings. While in recent years, some cities have used this authority to set maximum parking standards, historically, cities and counties have used this authority to set standards for the minimum amount of parking a development project must provide. Such standards are commonly indexed to conditions related

to the building or facility they are associated with. For example, shopping centers may have parking requirements linked to total floor space, restaurants may be linked to the total number of seats, and hotels may have parking spaces linked to the number of beds or rooms present at the facility. For residential uses, a typical parking standard is two parking spaces per household. For nonresidential construction, an average of one parking space is installed for every 275 square feet of nonresidential building floor space.¹

Parking Space: Developing new parking spaces requires a significant dedication of land and resources. A typical parking space measures from 8 to 10 feet wide and 18-20 feet long. Off-street parking also requires driveways and access lanes for circulation within the parking lot. As a result, off-street parking typically requires 300 square feet (compact, urban off-street parking) to 400 square feet (full-size, urban off-street parking) of land per parking space.² On sites with limited development capacity, for every two to four parking spaces provided there is room for one less housing unit or room for up to 10 fewer office workers.

Sites with limited space also require structured parking. The cost of constructing such parking is considerable. A 2018 report by the United States Government Accountability Office found that urban affordable housing projects in California and Arizona that included parking structures were associated with a cost increase of about \$56,000 per unit.³ A more recent study analyzed the regional parking structure construction costs per parking space in major metropolitan areas. The study found that the average cost of construction for a parking space in a parking structure is \$26,653 in Los Angeles and \$30,316 in San Francisco.⁴ While underground parking can free up developable space for residential and non-residential uses, it is even more expensive to build.

Addressing the Oversupply of Parking: Local minimum parking standards are designed to ensure land uses have sufficient parking on site. But in doing so, they have also resulted in an oversupply of on-site parking. For example, in analyzing ten developments in Southern California, the California Air Resources Board noted that while most sites built exactly the minimum parking required by the local agency, the peak parking utilization at these sites ranged from 56 percent to 72 percent at each development.⁵ The utilization of these spaces is even lower during off-peak times – for example, during the day at an apartment building and at night for an office building.

This bill is intended to help address the oversupply of parking. It would require public agencies to allow entities with underutilized parking to share their underutilized parking spaces with the public, other public agencies, or other entities. Additionally, it requires public agencies to allow shared parking arrangements to be counted toward meeting the project's minimum parking requirements, as long as the entities in the shared parking arrangement are proximal to each other there is a shuttle service between the uses. It also requires projects to study the utilization of a

¹ See page 18: https://ww2.arb.ca.gov/sites/default/files/2020-09/CARB_Technical_Analysis_EV_Charging_Nonresidential_CALGreen_2019_2020_Intervening_Code.pdf

² Litman, Todd. *Parking Management Best Practices*. (Routledge, 2018) 50-51.

³ U.S. Government Accountability Office. *Low-Income Housing Tax Credit: Improved Data and Oversight*. (2018) 30-31. <https://www.gao.gov/assets/700/694668.pdf>

⁴ Litman, Todd. "Comprehensive Parking Supply, Cost and Pricing Analysis" *Victoria Transport Policy Institute*. (2023) 15-16. <https://www.vtpi.org/pscp.pdf>

⁵ https://ww2.arb.ca.gov/sites/default/files/2020-06/Impacts_of_Parking_Pricing_Based_on_a_Review_of_the_Empirical_Literature_Policy_Brief.pdf

shared parking arrangement before they are able to use state funds or when public funds are being used to build a parking structure or surface parking lot.

Arguments in Support: Supporters of the bill argue that it would help improve the utilization of the state's limited land, which will have multiple benefits. According to the American Planning Association, California Chapter, "To meet the state's ambitious climate and housing goals, several strategies will need to be explored both at the state and local level. And as research has shown, unused parking exists throughout California, particularly as the pandemic has shifted behavioral patterns related to online retail and work from home options that have created an additional parking surplus. Allowing shared parking options to avoid creating unnecessary new parking is one strategy to support better land use policies, mitigate impacts to development costs, and create more sustainable communities."

Arguments in Opposition: None on file.

Related Legislation:

AB 1308 (Quirk-Silva) of the current legislative session prohibits a public agency from increasing the minimum parking requirement that applies to a single-family residence as a condition of approval of a project to remodel, renovate, or add to a single-family residence provided that the project does not cause the residence to exceed any maximum size imposed by the zoning. AB 1308 passed out of this Committee and the Assembly Committee on Local Government and is pending in the Assembly Committee on Appropriations.

AB 2097 (Friedman), Chapter 459, Statutes of 2022: Prohibited public agencies from imposing minimum automobile parking requirements on specified residential, commercial and other developments located within one-half mile of public transit.

SB 1067 (Portantino) of 2022 would have prohibited a city or county from imposing or enforcing minimum parking requirements on housing development projects located within one-half mile of public transit. SB 1067 was held in the Assembly Committee on Appropriations.

AB 1401 (Friedman) of 2021 was substantially similar to AB 2097. AB 1401 was held in the Senate Committee on Appropriations.

Double Referred: This bill is double referred. It was heard in the Assembly Committee on Local Government and passed on a vote of 6-2.

REGISTERED SUPPORT / OPPOSITION:

Support

SPUR (Sponsor)
American Planning Association, California Chapter
California Apartment Association
California YIMBY
City of Gilroy Council Member Zach Hilton
CivicWell
Council of Infill Builders
East Bay YIMBY

Grow the Richmond
How to ADU
Mountain View YIMBY
Napa-Solano for Everyone
Northern Neighbors SF
Parkade
Peninsula for Everyone
People for Housing Orange County
Progress Noe Valley
San Francisco YIMBY
Santa Cruz YIMBY
Santa Rosa YIMBY
South Bay YIMBY
Southside Forward
Streets are For Everyone (SAFE)
Streets for All
Streets for People
Transform
Urban Environmentalists
Ventura County YIMBY
YIMBY Action
YIMBY SLO

Opposition

None on file.

Analysis Prepared by: Steve Wertheim / H. & C.D. / (916) 319-2085