

Date of Hearing: May 17, 2023

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

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

Policy Committee:	Local Government	Vote:	6 - 2
	Housing and Community Development		6 - 0

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

**SUMMARY:**

This bill requires a public agency to allow shared parking arrangements to be counted toward meeting any automobile parking requirement imposed by the agency for a new or existing development or use.

Specifically, this bill:

- 1) Defines “underutilized parking” to mean parking where 20% or more of an entity’s parking spaces are available during the period 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 sharing parking are located on the same or contiguous parcels.
  - b) The sites of the entities sharing parking are separated by no more than 2,000 feet of travel by the shortest walking route.
  - c) The sites of the entities sharing 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 sharing parking to enter into a shared parking agreement.
- 5) Provides 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 a public agency cannot deny a shared parking agreement between entities solely on the basis it will temporarily reduce or eliminate the number of parking spaces available at the developments sharing the underutilized parking.
- 7) 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 to be constructed when state funds are being used on a proposed new development or before a parking structure or surface parking lot is developed using public funds.

- 8) Specifies this bill not be interpreted to require parking be offered without a cost or at a reduced cost to the user.

#### **FISCAL EFFECT:**

No state costs. Local costs 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.** The author intends this bill to help address the oversupply of parking. 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.

- 2) **Background.** Local minimum parking standards are to ensure land uses have sufficient parking on site. Observers note, however, these standards can result in an oversupply of on-site parking. For example, in analyzing 10 developments in Southern California, the California Air Resources Board noted, while most sites built exactly the minimum parking required by the local agency, the peak parking utilization rate ranged from 56% to 72% at each development. The utilization of these spaces was even lower during off-peak times, such as during the day at an apartment building and at night at an office building.

This bill requires public agencies to allow entities with underutilized parking to share their underutilized parking spaces with the public, other public agencies, or other entities. Additionally, the bill 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 close to each other or there is a shuttle service between the uses. This bill also requires development projects to study the utilization of a 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.

- 3) **Arguments in Support.** According to the California Apartment Association, in support of the bill:

Unnecessary parking consumes land and resources that could be better used to support more housing, jobs, services, and open space. It also encourages more single-occupant vehicle use which directly contradicts state climate and equity goals. By requiring that public agencies allow excess parking to be shared and counted toward parking requirements, [this bill] will reduce circumstances where costly and space-intensive new parking construction is mandated, particularly when nearby existing parking is readily available for use.

- 4) **Arguments in Opposition.** The City of Eastvale, in Riverside County, writes in opposition:

Nothing in current law prohibits a local agency from permitting shared parking agreements between business entities, public agencies, and developers. Decisions like these should be left at the local level so that agreements can be crafted in a way that reflects the unique characteristics of each community.

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