
SENATE COMMITTEE ON HOUSING
Senator Scott Wiener, Chair
2023 - 2024 Regular

Bill No: AB 894 **Hearing Date:** 7/10/2023
Author: Friedman
Version: 6/22/2023
Urgency: No **Fiscal:** Yes
Consultant: Aiyana Cortez

SUBJECT: Parking requirements: shared parking

DIGEST: This bill requires public agencies to allow developments to count underutilized and shared parking spaces toward a parking requirement imposed by the agency.

ANALYSIS:

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.
- 2) Enables the legislative body of any county or city to adopt ordinances that establish requirements for off-street parking and loading.
- 3) Sets specified percentage requirements of available parking spaces for new developments for persons with disabilities, electric vehicles, and other specific purposes.

This bill:

- 1) Defines “automobile parking requirements” as any parking that a public agency requires an entity to provide, as specified.
- 2) Defines “public agency” as the state or any state agency, board, or commission, any city, county, city and county, including charter cities, or special district, or any agency, board, or commission of the city, county, city and county, special district, joint powers authority, or other political subdivision.

- 3) Defines “shared parking agreement” as an agreement that outlines the terms under which underutilized parking will be shared between the entities that are a party to the agreement.
- 4) Defines “underutilized parking” as parking where 20% or more of a development’s parking spaces are available during the period that the parking is needed by another user, group, development, or the public.
- 5) Requires a public agency to allow entities with underutilized parking to share their underutilized parking spaces with the public, public agencies, or other entities, if those entities submit a shared parking agreement to the public agency and information demonstrating the benefits of the proposed shared parking agreement.
- 6) Requires a public agency, if no shared parking ordinance exists before January 1, 2024, to:
 - a) Allow parking spaces identified in a shared parking agreement to count toward meeting any automobile parking requirement for a new or existing development or use, as specified.
 - b) Approve a shared parking agreement if it includes a parking analysis using peer-reviewed methodologies, as specified. If no parking analysis is included, the public agency is required to:
 - i) Notify all property owners within 300 feet of the shared parking spaces of the proposed agreement, including that the property owner has 14 days to request a public meeting before the public agency decides whether to approve or deny the shared parking agreement.
 - ii) If requested, hold a public meeting on the shared parking agreement to approve or deny the shared parking agreement and determine the number of parking spaces that can be reasonably shared between uses to fulfill parking requirements.
- 7) Prohibits a public agency from requiring the curing of any preexisting deficit of the number of parking spaces as a condition for approval of the shared parking agreement.
- 8) Prohibits a public agency from withholding approval of 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 entity sharing underutilized parking.

- 9) Requires a public agency to allow a development project applicant to meet minimum parking requirements through the use of offsite shared parking in which a designated historical resource is being converted or adapted.
- 10) Clarifies that it does not reduce, eliminate, or preclude the enforcement of any requirement imposed on a residential or nonresidential development to provide parking spaces that are accessible to persons with disabilities that would have otherwise applied to the development.
- 11) Clarifies that it does not require parking be offered without cost or at reduced cost to the user.

COMMENTS:

- 1) *Author's statement.* "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, reducing the need to build new parking. Unfortunately, many jurisdictions have not updated their policies to reflect evidence on the benefits of shared parking, and the existence new tools that make it easy to manage shared parking resources. This bill requires that jurisdictions accept shared parking as a legitimate strategy to meet parking demands in a manner that supports more affordable development and avoids wasteful excessive parking construction which contributes to congestion, greenhouse gas emissions, and neighborhood safety."
- 2) *Planning and zoning.* Every county and city to adopt a general plan that sets out planned uses for all areas covered by the plan. A general plan must include specified mandatory "elements," including a housing element that establishes the locations and densities of housing, among other requirements. Cities' and counties' major land use decisions—including most zoning ordinances and other aspects of development permitting—must be consistent with their general plans. Cities and counties must provide a path to appeal a decision to the planning commission and/or the city council or county board of supervisors. Local governments have broad authority to define the specific approval processes needed to satisfy these considerations. Some housing projects can be permitted by city or county planning staff "ministerially" or without further approval from elected officials, but most large housing projects require "discretionary" approvals from local governments, such as a conditional use

permit or a change in zoning laws. This process requires hearings by the local planning commission and public notice, and may require additional approvals.

Local governments enact zoning ordinances that shape development, such as setting maximum heights and densities for housing units, minimum numbers of required parking spaces, setbacks to preserve privacy, lot coverage ratios to increase open space, and others. These ordinances can also include conditions on development to address aesthetics, community impacts, or other particular site-specific considerations. Cities and counties generally establish requirements for a minimum amount of parking developers must provide for a given facility or use, known as parking minimums or parking ratios. Local governments commonly index parking minimums to conditions related to the building or facility with which they are associated.

- 3) *Parking requirements.* In 2019, the California Air Resources Board (CARB) reviewed over 200 municipal codes and found for nonresidential construction, an average of at least one parking space is installed for every 275 square feet of nonresidential building floor space. Accounting for the fact that approximately 60% of reviewed municipal codes already allow developers to reduce parking by an average of 30%, CARB staff estimated that between 1.4 million and 1.7 million new nonresidential parking spaces may be constructed from 2021-2024.

CARB also conducted a limited review of minimum parking requirements and found parking requirements often result in an over-supply of parking. In reviewing 10 developments in Southern California, CARB 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% to 72% at each development.

Both CARB reviews suggest the minimum requirements are too high, creating an unnecessary oversupply of parking. In response, the Legislature has enacted several policies limiting minimum parking requirements. Last year, AB 2097 (Friedman) prohibited public agencies from imposing minimum automobile parking requirements on specified residential, commercial and other developments located within one-half mile of public transit.

- 4) *Impacts of parking minimums.* Although challenging to quantify, parking minimums are thought to encourage automobile use. For example, researchers from the University of California found data from affordable housing lotteries in San Francisco provided a unique setting that effectively randomized housing assignments for housing lottery applicants. The study found “a building’s parking ratio not only influences car ownership, vehicle travel and public

transport use, but has a stronger effect than public transport accessibility. Buildings with at least one parking space per unit (as required by zoning codes in most US cities, and in San Francisco until circa 2010) have more than twice the car ownership rate of buildings that have no parking. In buildings with no on-site parking, only 38% of households own a car. In buildings with at least one parking space per unit, more than 81% of households own automobiles.”

A number of sources have documented the harms associated with imposing parking requirements. Of particular interest given California’s housing challenges is parking requirements can increase the cost of building homes and make some projects infeasible, whether financially due to the cost of constructing parking or physically due to capacity limitations of some sites. A recent study by Santa Clara University found the cost of garage parking to renter households is approximately \$1,700 per year, or an additional 17% of a housing unit’s rent. Others note parking requirements can reduce the number of buildable units on a site by taking up space that could be devoted to housing.

According to the Turner Center for Housing Innovation, “Parking requirements have also been linked to a variety of negative secondary impacts, in particular the environmental costs for cities. Parking contributes to the urban heat island effect and does not support any biodiversity. Land coverage by asphalt increases stormwater runoff, which raises the risk of flooding and causes higher pollution levels in freshwater systems. Chemical compounds used to seal parking lots can seep into groundwater and freshwater systems, which contributes to pollution and decreases the health of these ecosystems. Because it encourages automobile usage, parking also hinders the effectiveness and usage of alternative forms of transit (*i.e.*, public transportation, biking, *etc.*), increases congestion, and causes externalities like air pollution, noise pollution, and greenhouse gas emissions.

- 5) *Reducing parking as a barrier.* To spur greater use of underutilized parking, and to make it easier for entities to meet minimum parking requirements, this bill requires local agencies to allow underutilized parking spaces to be shared with other land uses and the public, and to count shared parking toward meeting parking requirements. This bill also provides for public input in instances where peer-review parking analyses are not provided and local ordinances on shared parking are not already in place at the time of enactment.
- 6) *Double-referral.* This bill passed out of the Senate Governance and Finance Committee on June 21 on a 7-0 vote.

RELATED LEGISLATION:

AB 1308 (Quirk-Silva & Friedman, 2023) — 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 the project does not cause the residence to exceed any maximum size limit imposed by the applicable zoning regulations. *This bill is being heard concurrently in this committee.*

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, 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. *This bill was held in the Assembly Appropriations Committee.*

AB 1401 (Friedman, 2021) —was substantially similar to AB 2097. *This bill was held in the Senate Appropriations Committee.*

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

POSITIONS: (Communicated to the committee before noon on Wednesday, July 5, 2023.)

SUPPORT:

San Francisco Bay Area Planning and Urban Research Association (SPUR)
(Sponsor)
350 Bay Area Action
Active San Gabriel Valley
American Planning Association, California Chapter
California Apartment Association
California Community Builders
California YIMBY
City of Bakersfield
CivicWell
Council Member Zach Hilton, City of Gilroy
Council of Infill Builders
East Bay for Everyone

East Bay YIMBY
Grow the Richmond
How to ADU
Monterey Bay Economic Partnership
Mountain View YIMBY
Move LA
Napa-Solano for Everyone
Natural Resources Defense Council (NRDC)
Northern Neighbors
Parkade
Peninsula for Everyone
People for Housing Orange County
Progress Noe Valley
San Francisco YIMBY
San Luis Obispo YIMBY
Santa Cruz YIMBY
Santa Rosa YIMBY
Seamless Bay Area
South Bay YIMBY
Southside Forward
Streets for All
Streets for People
Transform
Urban Environmentalists
Ventura County YIMBY
YIMBY Action

OPPOSITION:

Association of California Cities - Orange County (ACC-OC)
City of Eastvale
Livable California

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