

Date of Hearing: April 19, 2023

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Cecilia Aguiar-Curry, Chair

AB 894 (Friedman) – As Amended April 11, 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) Requires public agencies to allow entities with underutilized parking to share their underutilized parking spaces with the public, other public agencies or other entities.
- 2) 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, including, but not limited to, shared parking in underutilized spaces, and in parking lots and garages that will be constructed as part of the development or developments 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.
  - 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.
- 3) 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 between the entities that are a party to the agreement.
- 4) Requires that public agencies accept a parking analysis using peer-reviewed methodologies developed by a professional planning association such as the methodology established by the Urban Land Institute, National Parking Association, and the International Council of Shopping Centers when determining the number of parking spaces that can be reasonably shared between different uses.
- 5) Provides that a public agency shall not 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 shall not deny a shared parking arrangement between entities solely on the basis that it will temporarily reduce or eliminate the number of parking spaces available at the entity 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) Provides that nothing in the bill shall reduce, eliminate, or preclude the enforcement of a requirement for a new multifamily residential or nonresidential 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 arrangements 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.
  - 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.
- 11) Defines the following terms:
  - a) “Automobile parking requirements” means any parking that a public agency requires an entity to provide, including, but not limited to, parking imposed via ordinance, pursuant to the California Environmental Quality Act, or a development agreement.
  - b) “Entity” or “entities” means a proposed or existing residential or nonresidential development.
  - c) “Public agency” means 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.
  - d) “Underutilized parking” means 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.
- 12) Finds and declares that sharing parking can help preserve land, lower the cost of housing, and allow more compact land use that promotes walking, biking and public transit. Therefore the bill shall be interpreted in favor of rules and guidelines that support shared parking.
- 13) Finds and declares that preserving land and lowering the cost of housing production by sharing parking is a matter of statewide concern and is not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, the bill applies to all cities, including charter cities.
- 14) Provides that no reimbursement is required by this bill, pursuant to Section 6 of Article XIII B of the California Constitution, because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this bill.

**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 § 65300 – 65404).
- 2) Establishes the California Building Standards Commission (CBSC) within the Department of General Services, and requires CBSC to approve and adopt building standards and to codify those standards in the California Building Standards Code (Health and Safety Code §18930).

**FISCAL EFFECT:** This bill is keyed fiscal and contains a state-mandated local program.

**COMMENTS:**

- 1) **Author’s Statement.** According to the author, “Currently, some jurisdictions either prohibit shared parking, allow shared parking only in certain narrow circumstances, or make no clear accommodation to allow parking owners or managers to share underutilized parking with other land uses. Many jurisdictions do allow shared parking to count toward meeting public agency parking requirements.

“Without action, some public agencies will continue to require new parking spaces where existing parking can be shared more effectively. 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 contradicts the legislature's climate and equity goals.”

- 2) **Bill Summary.** This bill requires public agencies to allow new and existing developments and uses to share underutilized parking with nearby developments and uses, and count that parking toward those entity’s minimum automobile-parking requirements. This bill also allows new developments to share parking in lots and garages that will be constructed. This bill requires public agencies to use a specified parking analysis to determine the number of parking spaces that may be shared and counted toward an entity’s minimum automobile-parking requirement.

This bill is sponsored by the San Francisco Bay Area Planning and Urban Research Association (SPUR).

- 3) **Background.** 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 also establish minimum numbers of required vehicle parking spaces for nonresidential and residential buildings.

- 4) **Local Parking Standards.** Cities and counties generally establish parking standards that capture various types of facilities and uses. Parking 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.

In 2019, CARB staff reviewed over 200 municipal codes and found that, 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 percent of reviewed municipal codes already allow developers to reduce parking by an average of 30 percent, CARB staff estimated that between 1.4 million and 1.7 million new nonresidential parking spaces may be constructed from 2021-2024.<sup>1</sup>

- 5) **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. This means that 100 to 150 parking spaces requires 1 acre of land.<sup>2</sup> In urban areas where land is expensive or unavailable, the cost of constructing an aboveground or belowground parking structure is considerable. A 2018 report by the United States Government Accountability Office found that urban affordable housing projects in California and Arizona that include parking structures were associated with a per-unit cost increase of about \$56,000 per unit.<sup>3</sup> 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.<sup>4</sup>
- 6) **Eliminating Local Parking Requirements.** There is a significant body of academic research regarding the potential impact minimum parking ratios have on car ownership, Vehicle Miles Travelled (VMT), use of public transit, and transportation trends generally. However, while significant research exists, the impacts of parking ratios on VMT and car ownership are difficult to quantify due to the potential for residents to self-select and move to developments based on their existing circumstances or preferences. For example, a person that cannot afford, or wishes to forego, car ownership may choose to live in a development that does not include parking and is adjacent to transit. Conversely, an individual with little interest in transit may choose a development with ample parking spaces. This reality has made it difficult to prove whether increased parking standards induce more driving.

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<sup>1</sup> California Air Resources Board. *EV Charging Infrastructure: Nonresidential Building Standards. 2019/2020 Intervening Code Cycle: CARB Staff Technical and Cost Analysis.* (2019) 11-12. [https://ww2.arb.ca.gov/sites/default/files/2020-09/CARB\\_Technical\\_Analysis\\_EV\\_Charging\\_Nonresidential\\_CALGreen\\_2019\\_2020\\_Intervening\\_Code.pdf](https://ww2.arb.ca.gov/sites/default/files/2020-09/CARB_Technical_Analysis_EV_Charging_Nonresidential_CALGreen_2019_2020_Intervening_Code.pdf)

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

<sup>3</sup> 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>

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

A recent journal article from the University of California found that data from affordable housing lotteries in San Francisco provided a unique setting that effectively randomized housing assignments for housing lottery applicants. The research found that lottery applicants applied indiscriminately for available affordable units without respect to attributes such as the amount of off-street parking available for any particular unit. This created a setting that allowed researchers to analyze whether individuals essentially “assigned” a home with more or less parking influenced their propensity for car ownership and their driving frequency.

The study found “that 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.” Specifically, the study found, “In buildings with no on-site parking, only 38 percent of households own a car. In buildings with at least one parking space per unit, more than 81 percent of households own automobiles.”<sup>5</sup>

- 7) **State and Federal Parking Requirements.** The state does not establish minimum requirements related to the number of vehicle parking spaces that must be provided for new developments; however, state regulations include requirements relative to the type of vehicle parking that must be provided as a percent of the total parking required per development. For example, the California Green Building Code requires 10 percent of parking spaces at residential developments and six percent of parking spaces at nonresidential developments to be EV parking spaces. State and federal law additionally require cities and counties to ensure that a specified percentage of vehicle parking spaces at new developments are accessible to persons with disabilities.
- 8) **Policy Consideration.** Some of the terminology and phrasing in the bill makes it unclear when existing developments can share parking with new developments and uses, and when new developments can develop less parking when they are sharing parking with another new development. *The Committee may wish to consider* clarifying some of the terminology in the bill.
- 9) **Committee Amendments.** In order to address the policy consideration noted above, *The Committee may wish to consider* the following amendments.
  - a) Remove the proposed definition of “entity” or “entities”
  - b) Replace “shared parking arrangement” with “shared parking agreement.”
  - c) Delete erroneous reference to “new multifamily” residential development in provisions related to spaces for persons with disabilities.
  - d) Replace the term “entity” and “entity’s” with “development” and “development’s” in 65863.1 (a)(4)

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<sup>5</sup> Millard-Ball, Adam, Jeremy West, Nazanin Rezaei, and Garima Desai. “What Do Residential Lotteries Show Us about Transportation Choices?” *Urban Studies* 59, no. 2 (March 14, 2021): 434–52. <https://doi.org/10.1177/0042098021995139>.

Due to timing constraints, these amendments should be adopted in the Housing and Community Development Committee.

- 10) **Previous Legislation.** 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 Appropriations Committee.

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

- 11) **Double-Referral.** This bill is double-referred to the Housing and Community Development Committee.

- 12) **Arguments in Support.** SPUR, writes in support, “AB 894 responds to recent research on parking supply. Recent assessments have found a surprising abundance of parking in the most populous California regions, even where there are perceptions that parking is inadequate. A 2015 study of Los Angeles County parking found that there are more than 1.5 parking spaces for every resident in the County, including children. SPUR coordinated a 2022 Bay Area Parking Census which found 15 million parking spaces in the 9-county area - 2.4 spaces for every car. What is often lacking is not parking, but rather tools and regulations that allow existing parking to be shared more effectively.”

- 13) **Arguments in Opposition.** None on file.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

SPUR [SPONSOR]  
 American Planning Association, California Chapter  
 California Apartment Association  
 California Yimby  
 City of Gilroy Council Member Zach Hilton  
 Civicwell (formally the Local Government Commission)  
 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  
Streets for All  
Streets for People  
Transform  
Urban Environmentalists  
Ventura County Yimby  
Yimby Action  
Yimby Slo

**Opposition**

None on file

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