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

Bill No:	AB 1308	Hearing Date:	7/10/2023
Author:	Quirk-Silva		
Version:	3/30/2023		
Urgency:	No	Fiscal:	Yes
Consultant:	Alison Hughes		

SUBJECT: Planning and Zoning Law: single-family residences: parking requirements

DIGEST: This bill 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.

ANALYSIS:

Existing law:

- 1) Authorizes the legislative body of any county or city to adopt ordinances that establish requirements for offstreet parking and loading.
- 2) Prohibits public agencies from imposing minimum automobile parking requirements on specified residential, commercial and other developments located within one-half mile of public transit.
- 3) Limits the parking requirements a city or county may impose on accessory dwelling units (ADUs).

This bill:

1) 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, including, but not limited to, height, lot coverage, and floor-to-area ratio (FAR).

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- 2) Defines "public agency" to mean 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) Provides that this bill must not be construed to allow a local agency to impose parking restrictions that are more restrictive than the requirements a local agency is allowed to impose under ADU laws, if the single-family residence is on the same lot as an ADU.

COMMENTS:

- 1) *Author's statement.* "It seems that for years California has been trading housing for parking. We're in the midst of a housing crisis, desperately looking for a solution, and we need to consider all options to reduce the overall cost of housing. Mandatory parking requirements also worsen California's severe housing shortage by raising the cost of housing production. Parking structures on single-family residences can cost upward of \$25,000, take up vital land space on the property and yet, families may not own additional cars. AB 1308 does not prohibit property owners from building parking. It would simply give them the flexibility to decide how much parking to build based on their need and affordability, instead of requiring them to comply with a one-size fits all mandate."
- 2) *Parking standards*. Cities and counties generally establish requirements for a minimum amount of parking that 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. 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.

In 2019, the California Air Resources Board (CARB) 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% 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 that 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, suggesting that the minimum requirements established by the local agency created an oversupply of parking.

- 3) Sustainability goals and transit-oriented development. AB 32 (Núñez, Chapter 488, Statutes of 2006) requires California to reduce greenhouse gas (GHG) emissions to 1990 levels by 2020. SB 375 (Steinberg, Chapter 728, Statutes 2008) supports the state's climate action goals to reduce GHG emissions through coordinated transportation and land-use planning with the goal of more sustainable communities by requiring cities and counties to adopt sustainable communities strategies to show how development will support reduction in GHG emissions. A key component of reducing GHG is to move people out of their cars and into public transit. To encourage use of transit, some cities and counties have adopted policies like eliminating minimum parking requirements for projects that are close to transit where demand for parking spaces is low. Parking requirements often prevent infill redevelopment on small lots where it is difficult and costly to fit both a new building and the required parking. In addition, parking requirements prevent new uses for older buildings that lack the required parking spaces.
- 4) Cost of parking spaces. Parking requirements can increase the cost of housing production and render some projects infeasible, whether financially due to the cost of constructing parking or physically due to capacity limitations of some sites. The average construction cost per space, excluding land cost, for a parking structure in the United States is \$24,000 for aboveground parking and \$34,000 for underground parking. Certain types of parking podium or subterranean can increase parking costs by 6% or more relative to other types of parking. The City and County of San Francisco eliminated parking minimums in 2018. According to the San Francisco Planning Department, at the time parking minimums were eliminated, minimum parking rules added as much as \$50,000 to the cost per housing unit. A recent study by Santa Clara University found that 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 that parking requirements can reduce the number of buildable units on a site by taking up space that could be devoted to housing. TransForm's GreenTrip program analyzed parking utilization at 68 affordable-housing developments throughout the Bay Area and found substantial overdevelopment of residential parking, at an extremely high cost. Surveying the buildings' parking lots at night when residents would be expected to be sleeping (with their cars in the on-site spaces), the study found that 31% of the 9,387 spaces were empty. This is valuable space that could arguably be better served for housing.

5) *Eliminating Local Parking Requirements.* There is a significant body of academic research regarding the potential impact of minimum parking ratios on car ownership, vehicle miles traveled (VMT), use of public transit, and transportation trends generally. While significant research exists, however, 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.

In a recent journal article (What do Residential Lotteries Show us About Transportation Choices?), researchers 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% of households own a car. In buildings with at least one parking space per unit, more than 81% of households own automobiles."

6) *Parking requirements and single-family homes*. There is little data available regarding underutilized parking spaces among single-family residences. However, the Legislature has previously moved to restrict the amount of parking local governments can require for single-family homes with ADUs. Under ADU law, local governments cannot impose any parking requirements if

the ADU is part of the proposed or existing primary residence or an accessory structure (*i.e.*, an existing detached garage or shed).

This bill prohibits public agencies from increasing a home's minimum parking requirements as a condition of approval for projects to remodel, renovate, or expand a single-family residence. The prohibition would not apply to remodels where the residence will exceed any maximum size restrictions imposed by the site's zoning, including height, lot coverage, or FAR restrictions. The bill also makes clear that these parking rules do not supersede existing law that restricts how local jurisdictions can impose parking requirements on ADUs.

As evidence for the need for the bill, the author points to a local ordinance passed in 2021 in the City of Pasadena, which created parity between the city's ADU parking rules and rules for regular expansions of single-family homes. Before passage of the ordinance, a property could build an 800 square foot ADU and be required to build no additional covered, off-street parking spaces, but for an addition of the same size to an existing single-family home, the city's development code required them to add two new covered spaces.¹

- 7) *Opposition.* The City of Pleasanton is opposed writing that they should retain the police power to set parking minimums. They do not have the same public transit access as other cities and do not believe it appropriate to restrict the ability for residents to drive. Livable California writes that parking should at the discretion of locals and can impact vulnerable populations.
- 8) *Double-referral*. This bill passed out of the Governance and Finance Committee on June 21 on a 6-2 vote.

RELATED LEGISLATION:

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

AB 744 (Chau/Quirk, Chapter 699, Statutes of 2015) — required a local government, upon the request of a developer that receives a density bonus, to reduce the minimum parking requirements for a housing development, if it meets specified criteria.

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

¹ <u>https://www.pasadenastarnews.com/2021/07/20/costly-covered-parking-no-longer-required-for-pasadena-home-add-ons/</u>

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

SUPPORT:

California YIMBY Habitat for Humanity California Valley Industry and Commerce Association (VICA)

OPPOSITION:

City of Pleasanton Livable California

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