

**Introduced by Senator Lowenthal**February 26, 2009

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An act to amend Section 76360 of the Education Code, and to add Division 19 (commencing with Section 43000) to the Vehicle Code, relating to vehicles.

## LEGISLATIVE COUNSEL'S DIGEST

SB 518, as introduced, Lowenthal. Vehicles: parking services and fees.

(1) Existing law regulates the amount of fees that a community college district may charge for parking and authorizes the governing board of a community college district to require payment of a parking fee at a campus in excess of established limits for the purpose of funding the construction of oncampus parking facilities if certain conditions are met.

This bill would delete these provisions and instead require that state funds not be used, directly or indirectly, to subsidize parking services, except as specified, for students, employees, or other persons on district-owned or district-leased property on and after January 1, 2011. The bill also would authorize the governing board of a community college district to exempt specified students who receive financial assistance or who rideshare or carpool from paying parking fees that exceed a specified amount.

(2) Under existing law, the State Building Construction Act, state funds may be used to fund the construction or operations of parking facilities in California. Under existing law, a city, county, or city and county is authorized to provide for the parking of motor vehicles, including the construction and operation of parking facilities, and the

acquisition of land, property, and rights of way necessary or convenient for use as public parking places.

This bill would prohibit, notwithstanding any other provision of law on and after January 1, 2011, the use of state funds to, directly or indirectly, subsidize the construction or operations of parking in California, except as specified, and for this purpose, the bill would define both the construction and operating costs of parking, the full cost of a parking space, transit intensive areas, and specify the exceptions to this requirement. A violation of the Vehicle Code is a crime.

The bill would require, on or before January 1, 2012, a city, county, or city and county to adopt and implement, or have adopted and implemented, measures from a specified menu that achieve a total score of at least 20 points, based on the points associated with that menu to ensure that a city, county, or city and county manages its parking so that the actual cost of a parking space equals its full cost, as specified. By increasing the duties of local public officials, the bill would impose a state-mandated local program.

The bill also would authorize a city, county, or city and county, to request the State Air Resources Board to approve and award points for other alternate measures to reduce or eliminate subsidies that fail to charge users for the full cost of a parking space, as specified. The bill also would provide that if a city, county, or city and county adopts and implements measures to achieve a total score of at least 50 points from the specified menu, the city, county, or city and county, with respect to any application for competitive loan or grant programs funded by a general obligation bond approved by the voters on or after January 1, 2010, would receive bonus points equal to 5% of the total available points.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) The transportation sector contributes over 40 percent of the  
4 greenhouse gas emissions in the State of California; automobiles  
5 and light trucks alone contribute almost 30 percent. The  
6 transportation sector is the single largest contributor of greenhouse  
7 gases of any sector.

8 (b) In 2006, the Legislature passed and the Governor signed  
9 Assembly Bill 32 (Chapter 488 of the Statutes of 2006; hereafter  
10 AB 32), which requires the State of California to reduce its  
11 greenhouse gas emissions to 1990 levels no later than 2020.  
12 According to the State Air Resources Board, in 1990 greenhouse  
13 gas emissions from automobiles and light trucks were 108 million  
14 metric tons, but by 2004 these emissions had increased to 135  
15 million metric tons.

16 (c) Greenhouse gas emissions from automobiles and light trucks  
17 can be substantially reduced by new vehicle technology and by  
18 the increased use of low carbon fuel. However, even taking these  
19 measures into account, it will be necessary to achieve significant  
20 additional greenhouse gas reductions by reducing vehicle trips and  
21 per capita vehicle miles traveled. Without those reductions,  
22 California will not be able to achieve the goals of AB 32.

23 (d) In addition, automobiles and light trucks account for 50  
24 percent of air pollution in California and 70 percent of the state's  
25 consumption of petroleum. Reducing vehicle trips will provide  
26 significant assistance to California's goals to implement the federal  
27 and state Clean Air Acts and to reduce the state's dependence on  
28 petroleum.

29 (e) The existence of "free" parking is a significant factor that  
30 encourages vehicle trips. At employment sites, employer-paid  
31 parking increases rates of driving by as much as 22 percent.  
32 Conversely, employee-paid parking reduces rates of driving by  
33 the same amount. On a congested street, eliminating just 10 percent  
34 of vehicles results in freeflowing traffic. Because parking is  
35 underpriced, it is overconsumed.

36 (f) Excessive governmental parking requirements greatly expand  
37 the built footprint and increase travel distances, thereby increasing  
38 per capita measures of vehicle miles traveled and reducing the

1 viability of clean transportation modes that help to achieve the  
 2 state's global warming targets, including walking, bicycling, and  
 3 public transportation.

4 (g) Parking is costly to build and maintain. Where land is valued  
 5 at \$1 million an acre, the land beneath a parking space would rent  
 6 at approximately \$1,000 a year. Building a structured parking  
 7 space costs between \$17,000 and \$30,000, with underground spaces  
 8 costing significantly more. Annual operations and maintenance  
 9 costs vary from \$100 and \$500 per space per year. When parking  
 10 is provided free to the user, these costs are hidden elsewhere in  
 11 the cost of doing business. Free parking at stores is paid for by all  
 12 customers in higher prices for goods, including those customers  
 13 who do not drive. Free employer parking is paid for by lower wages  
 14 for all workers, including those who do not drive. Free onstreet  
 15 parking is paid for by the entire community in the form of taxes.

16 (h) Eliminating subsidies and revealing the actual cost of parking  
 17 to drivers has enormous potential to reduce greenhouse gas and  
 18 other pollution emissions through reducing vehicle trips. In the  
 19 short term, changes to parking policy can reduce greenhouse gas  
 20 emissions more than all other strategies combined. Eliminating  
 21 parking subsidies can also improve social equity by lowering prices  
 22 for those who choose not to drive, often lower-income households.

23 SEC. 2. Section 76360 of the Education Code is amended to  
 24 read:

25 ~~76360. (a) (1) The governing board of a community college~~  
 26 ~~district may require students in attendance and employees of the~~  
 27 ~~district to pay a fee, in an amount, not to exceed forty dollars (\$40)~~  
 28 ~~per semester and twenty dollars (\$20) per intersession, to be~~  
 29 ~~established by the board, for parking services. The fee shall only~~  
 30 ~~be required of students and employees using parking services and~~  
 31 ~~shall not exceed the actual cost of providing parking services.~~

32 *76360. (a) Except as provided in subdivision (b), state funds*  
 33 *shall not be used, directly or indirectly, to subsidize parking*  
 34 *services for students, employees, or other persons on district-owned*  
 35 *or district-leased property on and after January 1, 2011. Parking*  
 36 *services are not subsidized if parking user fees cover land and*  
 37 *construction costs within no less than 15 years, and operation and*  
 38 *maintenance costs on an annual basis.*

39 *(b) (1) The governing board of a community college district*  
 40 *may exempt students who receive financial assistance pursuant to*

1 *any programs described in subdivision (g) of Section 76300 from*  
2 *parking fees that exceed twenty dollars (\$20) per semester.*

3 (2) To encourage ridesharing and carpooling, ~~for the governing~~  
4 ~~board of a community college district may exempt~~ a student who  
5 certifies, in accordance with procedures established by the board,  
6 that he or she regularly has two or more passengers commuting to  
7 the community college with him or her in the vehicle parked at  
8 the community college, ~~the fee shall not from parking fees that~~  
9 ~~exceed thirty dollars (\$30) per semester and ten dollars (\$10) per~~  
10 ~~intersession.~~

11 ~~(b) (1) The governing board may require payment of a parking~~  
12 ~~fee at a campus in excess of the limits set forth in subdivision (a)~~  
13 ~~for the purpose of funding the construction of on-campus parking~~  
14 ~~facilities if both of the following conditions exist at the campus:~~

15 ~~(A) The full-time equivalent (FTES) per parking space on the~~  
16 ~~campus exceeds the statewide average FTES per parking space on~~  
17 ~~community college campuses.~~

18 ~~(B) The market price per square foot of land adjacent to the~~  
19 ~~campus exceeds the statewide average market price per square~~  
20 ~~foot of land adjacent to community college campuses.~~

21 ~~(2) If the governing board requires payment of a parking fee in~~  
22 ~~excess of the limits set forth in subdivision (a), the fee may not~~  
23 ~~exceed the actual cost of constructing a parking structure.~~

24 ~~(c) Students who receive financial assistance pursuant to any~~  
25 ~~programs described in subdivision (g) of Section 76300 shall be~~  
26 ~~exempt from parking fees imposed pursuant to this section that~~  
27 ~~exceed twenty dollars (\$20) per semester.~~

28 ~~(d) The governing board of a community college district may~~  
29 ~~also require the payment of a fee, to be established by the~~  
30 ~~governing board, for the use of parking services by persons other~~  
31 ~~than students and employees.~~

32 ~~(e)~~

33 ~~(c) All parking fees collected shall be deposited in the designated~~  
34 ~~fund of the district in accordance with the California Community~~  
35 ~~Colleges Budget and Accounting Manual, and shall be expended~~  
36 ~~only for parking services or for purposes of reducing the costs to~~  
37 ~~students and employees of the college of using public transportation~~  
38 ~~to and from the college.~~

39 ~~(f)~~

1 (d) Fees collected for use of parking services provided for by  
 2 investment of student body funds under the authority of Section  
 3 76064 shall be deposited in a designated fund in accordance with  
 4 the California Community Colleges Budget and Accounting  
 5 Manual for repayment to the student organization.

6 ~~(g)~~  
 7 (e) “Parking services,” as used in this section, means the  
 8 purchase, construction, and operation and maintenance of parking  
 9 facilities for vehicles and motor vehicles as defined by Sections  
 10 415 and 670 of the Vehicle Code.

11 SEC. 3. Division 19 (commencing with Section 43000) is added  
 12 to the Vehicle Code, to read:

13  
 14 **DIVISION 19. PARKING REQUIREMENTS**

15  
 16 43000. For the purposes of this division, the following terms  
 17 have the following meaning:

18 (a) “Full cost of a parking space” means the sum of all of the  
 19 following:

20 (1) Annualized land cost. For above-ground structured parking  
 21 within a larger building, assume a fractional land cost based upon  
 22 above-ground volume of the parking facility compared to other  
 23 occupiable space. For entirely underground parking, assume no  
 24 land value. To annualize the cost, divide actual or fractional land  
 25 cost by 10. For leased land, use the annual lease rate.

26 (2) Annualized construction cost. Include full project cost  
 27 divided by the useful life of the facility. If actual costs are not  
 28 available, use a per-space cost from a relevant parking construction  
 29 cost index, and assume a 40-year useful life.

30 (3) Annualized operations and maintenance costs. Include  
 31 lighting, landscape, irrigation, security, insurance, pavement  
 32 maintenance, collections, enforcement, and related costs.

33 (b) “Transit intensive area” means central business districts,  
 34 areas within one-half mile of a major transit stop, as defined in  
 35 subdivision (b) of Section 21155 of the Public Resources Code,  
 36 and areas within one-quarter mile of a high-quality transit corridor,  
 37 as defined in subdivision (b) of Section 21155 of the Public  
 38 Resources Code.

39 43001. (a) Notwithstanding any other provision of law, state  
 40 funds shall not be used, directly or indirectly, except as provided

1 in subdivision (b), to subsidize the construction or operations of  
 2 parking in California on and after January 1, 2011. For the purposes  
 3 of this section, the construction costs of parking include the land,  
 4 design, environmental review, permitting, project management,  
 5 mitigation, and actual construction costs. Operating costs include  
 6 debt service, maintenance, insurance, enforcement, collections,  
 7 utilities, security, and other ancillary costs necessary to the  
 8 operations of the parking facility. The construction or operation  
 9 of parking is not subsidized if parking user fees cover construction  
 10 costs within no less than 15 years and operating costs on an annual  
 11 basis.

12 (b) All of the following are exceptions to subdivision (a):

13 (1) Locations where the cost of collecting payment for parking  
 14 would exceed 75 percent of total revenue collected.

15 (2) Existing parking facilities at state parks where parking  
 16 demand does not exceed capacity on more than 10 percent of days.

17 (3) Existing parking facilities at state-owned or leased  
 18 employment facilities that employ 25 or fewer state employees or  
 19 contractors where parking demand does not exceed capacity on  
 20 more than 10 percent of days during peak hours.

21 (4) Locations where existing employee collective bargaining  
 22 agreements forbid payment of parking, until the time that those  
 23 agreements expire.

24 (5) Locations where federal rules, prior contracts, or prior  
 25 funding agreements restrict payment for parking.

26 43002. (a) On or before January 1, 2012, a city, county, or  
 27 city and county shall adopt and implement, or have adopted and  
 28 implemented, measures from the following menu that achieve a  
 29 total score of at least 20 points, based on the points associated with  
 30 each menu item:

MEASURE	POINTS
<b>PARKING REQUIREMENTS AND ZONING</b>	
Eliminate minimum parking requirements citywide or within the unincorporated county.	20
Reduce average minimum parking requirements for all general office, general retail, general commercial, and similar development citywide or within the unincorporated county to:	2
Less than 3 spaces per 1,000 square feet	5
	10

1	Less than 2 spaces per 1,000 square feet	
2	Less than 1 space per 1,000 square feet	
3	Eliminate minimum parking requirements for projects in transit	
4	intensive areas.	10
5	Establish maximum parking restrictions for all general office,	
6	general retail, general commercial, and similar development at or	
7	below the following:	
8	3 spaces per 1,000 square feet	10
9	2 spaces per 1,000 square feet	15
10	1 space per 1,000 square feet	20
11	Establish commercial parking maximums of 2 or fewer spaces per	
12	1,000 sq. feet citywide or within the unincorporated county.	10
13	Establish commercial parking maximums of 2 or fewer spaces per	
14	1,000 sq. feet in transit intensive areas.	5
15	Establish residential parking maximums of 1 or fewer spaces per	
16	unit in transit intensive areas.	5
17	Establish design controls requiring parking to be underground or	
18	“wrapped” in active uses on building frontages facing public	
19	streets.	2
20	Remove restrictions against residential tandem parking, including	
21	eliminating requirements that parking must be independently	
22	accessible to count toward minimum residential parking	
23	requirement, if any.	2
24	Remove restrictions against mechanized and mechanical “lift”	
25	parking, including counting mechanized spaces toward minimum	
26	requirement, if any.	2
27	Establish a shared parking ordinance and requirements for	
28	interconnection of parking in all commercial areas.	2
29	Remove or increase allowable density limits and floor area ratios	
30	(FAR), allowing infill development on existing parking lots.	10
31	PARKING AND TRANSPORTATION DEMAND	
32	MANAGEMENT	
33	Adopt an ordinance to require that any lease for a residential	
34	dwelling unit within a housing development of five or more units,	
35	if a parking space or spaces are provided in connection with the	
36	lease, include a separate unbundled charge for the parking space	
37	or spaces that reflects the full cost of the parking space or spaces	
38	but is not less than the number of parking spaces multiplied by the	
39	cost of a monthly transit pass within the city, county, or city and	5



1	county and that the lessee may opt out of the parking charge by	
2	foregoing use of the parking space or spaces.	
3	Adopt an ordinance to require that any lease for commercial space	
4	in a complex of five or more commercial tenants include a separate	
5	unbundled charge for the parking space or spaces that reflects the	
6	full cost of the parking space or spaces but is not less than the	
7	number of parking spaces multiplied by the cost of a monthly	
8	transit pass within the city, county, or city and county and that the	
9	lessee may opt out of the parking charge by foregoing use of the	
10	parking space or spaces.	5
11	Adopt an ordinance to require that any new employment contract	
12	under which the employer provides a parking space within the	
13	city, county, or city and county include a nonreimbursable charge	
14	to the employee that reflects the full cost of the parking space but	
15	is not less than the cost of a monthly transit pass within the city,	
16	county, or city and county and that the employee may opt out of	
17	by foregoing use of the parking space.	5
18	Adopt an ordinance to require employers to offer transit passes to	
19	all employees, including full time, part time, and seasonal	
20	employees, on a pretax basis and certify compliance upon	
21	application for a new or renewal business license.	2
22	PARKING MANAGEMENT	
23	Adopt an ordinance to set on-street parking meter and public	
24	parking lot and garage rates to achieve an 85% target occupancy	
25	rate during hours when adjacent businesses are open or employ	
26	demand-responsive rates that vary throughout the day to achieve	
27	an 85% target occupancy rate.	10
28	Establish a Parking Benefit District, whereby all or a portion of	
29	new public parking revenues are directed toward improvements	
30	within the district where the revenue was raised.	5
31	Establish a Residential Parking Benefit District, whereby a limited	
32	number of commuters may pay to park in an otherwise restricted	
33	Residential Parking Permit area, with the net revenue directed	
34	toward improvements within the district where the revenue was	
35	raised.	5
36	Install parking meters in areas with parking occupancy rates of	
37	greater than 85% and establish meter rates such that parking	
38	availability improves to 85% or better.	2
39	PARKING REVENUE	

1 2 3 4	Adopt an ordinance to direct at least 50% of net public parking revenues to programs that reduce parking demand, including, but not limited to, public transit, transportation demand management, or bicycle and pedestrian infrastructure and promotion.	3
5 6 7 8 9	Adopt a parking sales tax or use fee upon parkers, with at least 85% of resulting net revenue directed at programs that reduce parking demand, including, but not limited to, public transit, transportation demand management, or bicycle and pedestrian infrastructure and promotion.	5
10 11 12 13 14	Adopt a parking impact fee or property assessment on parking owners, with at least 85% of resulting net revenue directed at programs that reduce parking demand, including, but not limited to, public transit, transportation demand management, or bicycle and pedestrian infrastructure and promotion.	5

15

16 (b) Upon request by a city, county, or city and county, the State  
 17 Air Resources Board may approve and award points for other  
 18 alternate measures to reduce or eliminate subsidies that fail to  
 19 charge users for the full cost of a parking space, if points are  
 20 awarded in a manner that is roughly proportionate to the estimated  
 21 reduction in vehicle trips to be achieved by the alternate measure,  
 22 in comparison with the measures described in subdivision (a).

23 (c) If a city, county, or city and county adopts and implements  
 24 measures to achieve a total score of at least 50 points, with respect  
 25 to any application submitted by the city, county, or city and county  
 26 for competitive loan or grant programs funded by a general  
 27 obligation bond approved by the voters on or after January 1, 2010,  
 28 the city, county, or city and county shall receive bonus points equal  
 29 to 5 percent of the total available points.

30 (d) Cities, counties, and cities and counties are encouraged to  
 31 address any parking spillover from new development through the  
 32 use of residential parking permits or other parking management  
 33 strategies and to provide residents who resided in the parking  
 34 permit zone prior to adoption of the parking permit zone a parking  
 35 permit for free.

36 SEC. 4. No reimbursement is required by this act pursuant to  
 37 Section 6 of Article XIII B of the California Constitution for certain  
 38 costs that may be incurred by a local agency or school district  
 39 because, in that regard, this act creates a new crime or infraction,

1 eliminates a crime or infraction, or changes the penalty for a crime  
2 or infraction, within the meaning of Section 17556 of the  
3 Government Code, or changes the definition of a crime within the  
4 meaning of Section 6 of Article XIII B of the California  
5 Constitution.

6 However, if the Commission on State Mandates determines that  
7 this act contains other costs mandated by the state, reimbursement  
8 to local agencies and school districts for those costs shall be made  
9 pursuant to Part 7 (commencing with Section 17500) of Division  
10 4 of Title 2 of the Government Code.

O