

AMENDED IN SENATE APRIL 13, 2009

SENATE BILL

No. 518

Introduced by Senator Lowenthal

February 26, 2009

An act to amend Section 76360 of the Education Code, *to add Section 2117.5 to the Streets and Highways Code, and to amend Section 22508 of,* and to add Division 19 (commencing with Section 43000) to, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

SB 518, as amended, 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~~ \$20 *per semester*.

(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~~ or 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 current cost of a monthly transit pass*, 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~~ *or county within a region covered by a metropolitan planning organization, except as specified*, 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~~ *or 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~~ *or 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~~ *or county* adopts and implements measures to achieve a total score of at least *20 points from the specified menu, the city or county would be eligible to receive carbon reduction credits through the cap-and-trade program administered by the State Air Resources Board, as specified, and if at least 50 points from the specified menu, the city, county, or city and* *or 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) This bill would also authorize the expenditure of any moneys apportioned to cities or counties from the Highway Users Tax Account in the Transportation Tax Fund for the adoption or implementation of transportation demand management measures, including measures adopted pursuant to these provisions.

(4) Existing law prohibits a local authority from establishing parking meter zones or fixing the rate for those zones except by ordinance.

This bill would permit a local authority to specify by ordinance a performance target and allow the rate of fees to be set administratively to achieve the performance target.

This bill would authorize a local authority to dedicate any portion of revenues collected from parking meter zones to benefit parking benefit districts or to fund programs that reduce parking demand, including, but not limited to, public transit, transportation demand management, or bicycle and pedestrian infrastructure improvements and promotion.

(3)

(5) 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 *state's* single largest contributor of
7 greenhouse 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.

1 (c) Greenhouse gas emissions from automobiles and light trucks
2 can be substantially reduced by new vehicle technology and by
3 the increased use of low carbon fuel. However, even taking these
4 measures into account, it will be necessary to achieve significant
5 additional greenhouse gas reductions by reducing vehicle trips and
6 ~~per capita~~ vehicle miles traveled. Without those reductions,
7 California will not be able to achieve the goals of AB 32.

8 (d) In addition, automobiles and light trucks account for 50
9 percent of air pollution in California and 70 percent of the state's
10 consumption of petroleum. Reducing vehicle trips will ~~provide~~
11 ~~significant assistance to California's goals to implement the federal~~
12 ~~and state Clean Air Acts and to reduce the state's dependence on~~
13 *also help reduce criteria pollutant emissions that are regulated*
14 *by the state and federal Clean Air Acts and reduce the state's*
15 *dependence on petroleum.*

16 (e) *California has five of the top 13 most traffic congested*
17 *metropolitan areas in the United States. Pricing strategies, such*
18 *as parking pricing, are the most effective way to achieve lasting*
19 *reductions in traffic congestion by permanently reducing roadway*
20 *demand. On a congested street, eliminating just 10 percent of*
21 *vehicles can result in free-flowing traffic.*

22 (e)

23 (f) The existence of "free" parking is a significant factor that
24 encourages vehicle trips. At employment sites, employer-paid
25 parking increases rates of driving by as much as 22 percent.
26 Conversely, employee-paid parking reduces rates of driving by
27 ~~the same amount. On a congested street, eliminating just 10 percent~~
28 ~~of vehicles results in freeflowing traffic. Because parking is~~
29 ~~underpriced, it is overconsumed. the same amount.~~

30 (f)

31 (g) Excessive governmental parking requirements greatly expand
32 the built footprint and increase travel distances, thereby increasing
33 ~~per capita measures of~~ vehicle miles traveled and reducing the
34 ~~viability of clean~~ *alternate* transportation modes that help
35 achieve the state's ~~global warming~~ *greenhouse gas reduction*
36 targets, including walking, bicycling, and public transportation.

37 (g) ~~Parking is costly to build and maintain. Where land is valued~~
38 ~~at \$1 million an acre, the land beneath a parking space would rent~~
39 ~~at approximately \$1,000 a year. Building a structured parking~~
40 ~~space costs between \$17,000 and \$30,000, with underground spaces~~

1 ~~costing significantly more. Annual operations and maintenance~~
2 ~~costs vary from \$100 and \$500 per space per year. When parking~~
3 ~~is provided free to the user, these costs are hidden elsewhere in~~
4 ~~the cost of doing business. Free parking at stores is paid for by all~~
5 ~~customers in higher prices for goods, including those customers~~
6 ~~who do not drive. Free employer parking is paid for by lower wages~~
7 ~~for all workers, including those who do not drive. Free onstreet~~
8 ~~parking is paid for by the entire community in the form of taxes.~~

9 ~~(h) Eliminating subsidies and revealing the actual cost of parking~~
10 ~~to drivers has enormous potential to reduce greenhouse gas and~~
11 ~~other pollution emissions through reducing vehicle trips. In the~~
12 ~~short term, changes to parking policy can reduce greenhouse gas~~
13 ~~emissions more than all other strategies combined. Eliminating~~
14 ~~parking subsidies can also improve social equity by lowering prices~~
15 ~~for those who choose not to drive, often lower-income households.~~

16 ~~(h) *Parking is costly to build and maintain. Building a structured*~~
17 ~~*parking space in 2008 costs between \$17,000 and \$30,000, with*~~
18 ~~*underground spaces costing significantly more. Annual operations*~~
19 ~~*and maintenance costs vary from \$100 and \$500 per space per*~~
20 ~~*year. The high cost of land, construction, and maintenance to*~~
21 ~~*provide free parking adds significantly to the cost of economic*~~
22 ~~*development, making many housing and commercial developments,*~~
23 ~~*especially those on infill or transit-oriented sites, financially*~~
24 ~~*infeasible and hindering economic development strategies.*~~
25 ~~*Moreover, when parking is provided free to the user, these costs*~~
26 ~~*are hidden elsewhere in the cost of doing business. Free parking*~~
27 ~~*at stores is paid for by all customers in higher prices for goods,*~~
28 ~~*including those customers who do not drive. Free parking in*~~
29 ~~*housing developments is paid for by all residents, even those who*~~
30 ~~*do not drive. Free employer-provided parking is paid for by lower*~~
31 ~~*wages for all workers, including those who do not drive. Free*~~
32 ~~*onstreet parking is paid for by the entire community in the form*~~
33 ~~*of taxes.*~~

34 ~~(i) *Eliminating subsidies for parking has enormous potential to*~~
35 ~~*reduce traffic congestion and greenhouse gas and other vehicle*~~
36 ~~*emissions by reducing vehicle miles traveled. If drivers must pay*~~
37 ~~*the true cost of parking, it will affect their choices on whether or*~~
38 ~~*not to drive. In the short term, changes to parking policy can*~~
39 ~~*reduce traffic congestion and greenhouse gas emissions more than*~~
40 ~~*all other strategies combined, and they are usually the most*~~

1 *cost-effective approach. Eliminating parking subsidies can also*
2 *improve social equity by lowering prices for those who do not*
3 *drive, that are often lower-income households.*

4 SEC. 2. Section 76360 of the Education Code is amended to
5 read:

6 76360. (a) Except as provided in subdivision (b), ~~state funds~~
7 ~~shall not be used, directly or indirectly, to subsidize parking~~
8 ~~services for students, employees, or other persons on district-owned~~
9 ~~or district-leased property on and after January 1, 2011. Parking~~
10 ~~services are not subsidized if parking user fees cover land and a~~
11 ~~community college district shall not use state funds, directly or~~
12 ~~indirectly, to subsidize the construction or operations of parking~~
13 ~~for students, district employees, or other persons on and after~~
14 ~~January 1, 2011. The construction and operations of parking are~~
15 ~~not subsidized if parking user fees cover land and construction~~
16 costs within no less than 15 years, and operation and maintenance
17 costs on an annual basis.

18 (b) (1) The governing board of a community college district
19 may exempt students who receive financial assistance pursuant to
20 any programs described in subdivision (g) of Section 76300 from
21 parking fees that exceed twenty dollars (\$20) per semester.

22 (2) To encourage ridesharing and carpooling, the governing
23 board of a community college district may exempt a student who
24 certifies, in accordance with procedures established by the board,
25 that he or she regularly has two or more passengers commuting to
26 the community college with him or her in the vehicle parked at
27 the community college, from parking fees that exceed thirty dollars
28 (\$30) per semester and ten dollars (\$10) per intersession.

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

35 (d) Fees collected for use of parking services provided for by
36 investment of student body funds under the authority of Section
37 76064 shall be deposited in a designated fund in accordance with
38 the California Community Colleges Budget and Accounting
39 Manual for repayment to the student organization.

1 (e) “Parking services,” as used in this section, means the
2 purchase, construction, and operation and maintenance of parking
3 facilities for vehicles and motor vehicles as defined by Sections
4 415 and 670 of the Vehicle Code.

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

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DIVISION 19. PARKING REQUIREMENTS

10 43000. For the purposes of this division, the following terms
11 have the following meaning:

12 (a) *“Current cost of a monthly transit pass” means the most*
13 *recent adopted rate of a monthly transit pass for an adult by the*
14 *local transit operator serving the jurisdiction in which the*
15 *residence or employer is located. If no monthly pass exists, the*
16 *amount shall be the sum of a return fare for a 20-day period. In a*
17 *jurisdiction in which there are multiple transit operators, the*
18 *amount shall be the average of the monthly pass of two or more*
19 *of the largest operators serving the jurisdiction, but no more than*
20 *four operators. This amount shall be calculated by the regional*
21 *transportation planning agency by June 31 of each year and shall*
22 *be made available to the public on the agency’s Internet Web site.*
23 *If no transit operator serves the jurisdiction, the amount shall be*
24 *\$40.*

25 (a)

26 (b) “Full cost of a parking space” means the sum of all of the
27 following:

28 (1) Annualized land cost. For above-ground structured parking
29 within a larger building, assume a fractional land cost based upon
30 above-ground volume of the parking facility compared to other
31 occupiable space. For entirely underground parking, assume no
32 land value. To annualize the cost, divide actual or fractional land
33 cost by 10. For leased land, use the annual lease rate.

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

38 (3) Annualized operations and maintenance costs. Include
39 lighting, landscape, irrigation, security, insurance, *equipment*,
40 pavement maintenance, collections, enforcement, and related costs.

1 ~~(b)~~
 2 (c) “Transit intensive area” means central business districts,
 3 areas within one-half mile of a major transit stop, as defined in
 4 subdivision (b) of Section 21155 of the Public Resources Code,
 5 and areas within one-quarter mile of a high-quality transit corridor,
 6 as defined in subdivision (b) of Section 21155 of the Public
 7 Resources Code.

8 43001. (a) Notwithstanding any other provision of law, state
 9 funds shall not be used, directly or indirectly, except as provided
 10 in subdivision (b), to subsidize the construction or operations of
 11 parking in California on and after January 1, 2011. For the purposes
 12 of this section, the construction costs of parking include the land,
 13 design, environmental review, permitting, project management,
 14 mitigation, and actual construction costs. Operating costs include
 15 debt service, maintenance, insurance, enforcement, collections,
 16 utilities, *equipment operation*, security, and other ancillary costs
 17 necessary to the operations of the parking facility. The construction
 18 or operation of parking is not subsidized if parking user fees cover
 19 construction costs within no less than 15 years and operating costs
 20 on an annual basis.

21 (b) All of the following are exceptions to subdivision (a):
 22 (1) Locations where the cost of collecting payment for parking
 23 would exceed 75 percent of total revenue collected.
 24 (2) Existing parking facilities at state parks where parking
 25 demand does not exceed capacity on more than 10 percent of days.
 26 (3) Existing parking facilities at state-owned or leased
 27 employment facilities that employ 25 or fewer state employees or
 28 contractors where parking demand does not exceed capacity on
 29 more than 10 percent of days during peak hours.
 30 (4) Locations where existing employee collective bargaining
 31 agreements forbid payment of parking, until the time that those
 32 agreements expire.
 33 (5) Locations where federal rules, prior contracts, or prior
 34 funding agreements restrict payment for parking.
 35 (6) *Park and ride facilities serving public transit riders and*
 36 *carpoolers.*
 37 (7) *Parking spaces reserved for persons with disabilities.*

38 43002. (a) On or before January 1, 2012, ~~a city, county, or~~
 39 ~~city and county~~ *city or county within a region covered by a*
 40 *metropolitan planning organization* shall adopt and implement,

1 or have adopted and implemented, measures from the following
2 menu that achieve a total score of at least 20 points, based on the
3 points associated with each menu item:

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| MEASURE | POINTS |
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| PARKING REQUIREMENTS AND ZONING | |
| 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: | |
| Less than 3 spaces per 1,000 square feet | 2 |
| Less than 2 spaces per 1,000 square feet | 5 |
| Less than 1 space per 1,000 square feet | 10 |
| <i>Reduce minimum parking requirements for residential uses to:</i> | |
| <i>1 uncovered space per zero- or one-bedroom unit</i> | |
| <i>1.5 uncovered spaces per two-bedroom unit</i> | |
| <i>2 uncovered spaces per three-bedroom or larger unit</i> | 5 |
| <i>Reduce minimum parking requirements for all sizes of residential units below 1 uncovered space per unit.</i> | 10 |
| Eliminate minimum parking requirements for projects in transit intensive areas. | 10 |
| Establish maximum parking restrictions for all general office, general retail, general commercial, and similar development at or below the following: | |
| 3 spaces per 1,000 square feet | 10 |
| 2 spaces per 1,000 square feet | 15 |
| 1 space per 1,000 square feet | 20 |
| Establish commercial parking maximums of 2 or fewer spaces per 1,000 sq. feet citywide or within the unincorporated county. | 10 |
| Establish commercial parking maximums of 2 or fewer spaces per 1,000 sq. feet in transit intensive areas. | 5 |
| Establish residential parking maximums of 1 or fewer spaces per unit in transit intensive areas. | 5 |
| Establish design controls requiring parking to be underground or “wrapped” in active uses on building frontages facing public streets. | 2 |
| Remove restrictions against residential tandem parking, including eliminating requirements that parking must be independently | 2 |

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| 1 | accessible to count toward minimum residential parking | |
| 2 | requirement, if any. | |
| 3 | Remove restrictions against mechanized and mechanical “lift” | |
| 4 | parking, including counting mechanized spaces toward minimum | |
| 5 | requirement, if any. | 2 |
| 6 | Establish a shared parking ordinance and requirements for | |
| 7 | interconnection of parking in all commercial areas. | 2 |
| 8 | Remove or increase 50% of allowable density limits and floor area | |
| 9 | ratios (FAR), allowing infill development on existing parking lots. | 10 |
| 10 | PARKING AND TRANSPORTATION DEMAND | |
| 11 | MANAGEMENT | |
| 12 | Adopt an ordinance to require that any lease for a residential | |
| 13 | dwelling unit within a housing development of five or more units, | |
| 14 | if a parking space or spaces are provided in connection with the | |
| 15 | lease, include a separate unbundled charge for the parking space | |
| 16 | or spaces that reflects the full cost of the parking space or spaces | |
| 17 | but is not less than the number of parking spaces multiplied by the | |
| 18 | cost of a monthly transit pass within the city, county, or city and | |
| 19 | county and that the lessee may associated with each unit multiplied | |
| 20 | by the current cost of a monthly transit pass within the city or | |
| 21 | county and grant the lessee the ability to opt out of the parking | |
| 22 | charge by foregoing use of the parking space or spaces. | 5 |
| 23 | <i>Adopt an ordinance to require, with respect to the initial sale of</i> | |
| 24 | <i>a separate interest within a common interest development of five</i> | |
| 25 | <i>or more units, that access to parking be sold separately at a price</i> | |
| 26 | <i>that reflects the full cost of the parking space or spaces.</i> | 5 |
| 27 | Adopt an ordinance to require that any lease for commercial space | |
| 28 | in a complex of five or more commercial tenants include a separate | |
| 29 | unbundled charge for the parking space or spaces that reflects the | |
| 30 | full cost of the parking space or spaces but is not less than the | |
| 31 | number of parking spaces multiplied by the cost of a monthly | |
| 32 | transit pass within the city, county, or city and county and that the | |
| 33 | lessee may leased parking spaces multiplied by the current cost | |
| 34 | of a monthly transit pass within the city or county and grant the | |
| 35 | lessee the ability to opt out of the parking charge by foregoing use | |
| 36 | of the parking space or spaces. | 5 |
| 37 | Adopt an ordinance to require that any new employment contract | |
| 38 | under which the employer provides a parking space within the | |
| 39 | city, county, or city and county include a nonreimbursable charge | 5 |

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| 1 | to the employee that reflects the full cost of the parking space but | |
| 2 | is not less than the cost of a monthly transit pass within the city, | |
| 3 | county, or city and county and that the employee may opt out of | |
| 4 | by foregoing use of the parking space. | |
| 5 | Adopt an ordinance to require employers to offer transit passes to | |
| 6 | all employees, including full time, part time, and seasonal | |
| 7 | employees, on a pretax basis and certify compliance upon | |
| 8 | application for a new or renewal business license. | 2 |
| 9 | PARKING MANAGEMENT | |
| 10 | Adopt an ordinance to set on-street parking meter and public | |
| 11 | parking lot and garage rates to achieve an 85% target occupancy | |
| 12 | rate during hours when adjacent businesses are open or employ | |
| 13 | demand-responsive rates that vary throughout the day to achieve | |
| 14 | an 85% target occupancy rate. | 10 |
| 15 | Establish a Parking Benefit District, whereby all or a portion of | |
| 16 | new public parking revenues are directed toward improvements | |
| 17 | within the district where the revenue was raised. | 5 |
| 18 | Establish a Residential Parking Benefit District, whereby a limited | |
| 19 | number of commuters <i>parkers</i> may pay to park in an otherwise | |
| 20 | restricted Residential Parking Permit area, with the net revenue | |
| 21 | directed toward improvements within the district where the revenue | |
| 22 | was raised. | 5 |
| 23 | Install parking meters in areas with parking occupancy rates of | |
| 24 | greater than 85% and establish meter rates such that parking | |
| 25 | availability improves to 85% or better. | 2 |
| 26 | PARKING REVENUE | |
| 27 | Adopt an ordinance to direct at least 50% <i>some portion</i> of net | 3 6 |
| 28 | public parking revenues to programs that reduce parking demand, | <i>multiplied</i> |
| 29 | including, but not limited to, public transit, transportation demand | <i>by the % of</i> |
| 30 | management, or bicycle and pedestrian infrastructure <i>improvements</i> | <i>net</i> |
| 31 | and promotion. | <i>revenue</i> |
| 32 | | <i>directed</i> |
| 33 | Adopt a parking sales tax or use fee upon parkers, with at least | 5 6 |
| 34 | 85% , <i>a property assessment upon parking owners, or a use fee</i> | <i>multiplied</i> |
| 35 | <i>upon parkers, with some portion</i> of resulting net revenue directed | <i>by the % of</i> |
| 36 | at programs that reduce parking demand, including, but not limited | <i>net</i> |
| 37 | to, public transit, transportation demand management, or bicycle | <i>revenue</i> |
| 38 | and pedestrian infrastructure <i>improvements</i> and promotion. | <i>directed</i> |

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| <p>1 2 3 4 5 6</p> | <p>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.</p> | <p>5</p> |
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7 (b) Upon request by a ~~city, county, or city and county~~ *city or*
 8 *county*, the State Air Resources Board may approve and award
 9 points for other alternate measures to reduce or eliminate subsidies
 10 that fail to charge users for the full cost of a parking space, if points
 11 are awarded in a manner that ~~is roughly proportionate to the~~
 12 ~~estimated reduction in vehicle trips to be achieved by the alternate~~
 13 ~~measure, in comparison with the~~ *assigns points to the measures*
 14 *in proportion to their estimated impact on vehicle miles traveled,*
 15 *consistent with the weighting for measures described in subdivision*
 16 (a).

17 (c) *If a city or county adopts and implements measures that*
 18 *exceed a total score of 20 points from the menu described in*
 19 *subdivision (a), the city or county shall be eligible to receive*
 20 *carbon reduction credits through the cap-and-trade program*
 21 *administered by the State Air Resources Board for those measures*
 22 *that exceed the 20-point threshold.*

23 (e)
 24 (d) If a ~~city, county, or city and county~~ *city or county* adopts
 25 and implements measures to achieve a total score of at least 50
 26 points *from the menu described in subdivision (a)*, with respect to
 27 any application submitted by the ~~city, county, or city and county~~
 28 ~~for competitive or county for competitive state~~ loan or grant
 29 programs *related to housing, transportation, or economic*
 30 *development* funded by a general obligation bond approved by the
 31 voters on or after January 1, 2010, the city, county, or city and
 32 county shall receive bonus points equal to 5 percent of the total
 33 available points.

34 (d)
 35 (e) ~~Cities, counties, and cities and counties~~ are encouraged to
 36 address any parking spillover from new development through the
 37 use of residential parking permits or other parking management
 38 strategies and to provide residents who resided in the parking

1 permit zone prior to adoption of the parking permit zone a parking
2 permit for free.

3 (f) *This section shall not apply to a city or county within a region*
4 *covered by a metropolitan planning organization if the*
5 *metropolitan transportation organization and the jurisdiction have*
6 *adopted a binding compact in which the jurisdiction commits to*
7 *implementing parking reforms by January 1, 2013, that achieve a*
8 *total score of at least 20 points from the menu described in*
9 *subdivision (a) and the jurisdiction fulfills the obligations of the*
10 *compact.*

11 SEC. 4. *Section 2117.5 is added to the Streets and Highways*
12 *Code, to read:*

13 2117.5. *Any of the moneys apportioned to cities or counties*
14 *from the Highway Users Tax Account in the Transportation Tax*
15 *Fund may be expended for the adoption or implementation of*
16 *transportation demand management measures, including measures*
17 *adopted pursuant to Section 43002 of the Vehicle Code.*

18 SEC. 5. *Section 22508 of the Vehicle Code is amended to read:*

19 ~~22508. Local authorities~~—(a) *A local authority shall not*
20 *establish parking meter zones or fix the rate of fees for such zones*
21 *except by ordinance. An ordinance establishing a parking meter*
22 *zone shall describe the area which that would be included within*
23 *the zone.*

24 (b) *A local authority shall either fix the rate of fees for parking*
25 *meter zones by ordinance or specify by ordinance a performance*
26 *target and allow the rate of the fees to be set administratively to*
27 *achieve the performance target.*

28 ~~Local authorities~~

29 (c) *A local authority may by ordinance cause streets and*
30 *highways to be marked with white lines designating parking spaces*
31 *and require vehicles to park within the parking spaces.*

32 ~~No~~

33 (d) *An ordinance adopted by any a local authority pursuant to*
34 *this section with respect to any state highway shall not become*
35 *effective until the proposed ordinance has been submitted to and*
36 *approved in writing by the Department of Transportation. The*
37 *proposed ordinance shall be submitted to the department only by*
38 *action of the local legislative body and the proposed ordinance*
39 *shall be submitted in complete draft form.*

40 ~~Any~~

1 (e) An ordinance adopted pursuant to this section establishing
 2 a parking meter zone or fixing rates of fees for ~~such a~~ that zone
 3 shall be subject to local referendum processes in the same manner
 4 as if ~~such the~~ ordinance dealt with a matter of purely local concern.

5 (f) A local authority may dedicate any portion of revenues
 6 collected from parking meter zones to benefit parking benefit
 7 districts or to fund programs that reduce parking demand,
 8 including, but not limited to, public transit, transportation demand
 9 management, or bicycle and pedestrian infrastructure
 10 improvements and promotion.

11 *SEC. 6. The changes to Section 22508 of the Vehicle Code*
 12 *enacted by this act are declaratory of existing law.*

13 ~~SEC. 4.~~

14 *SEC. 7.* No reimbursement is required by this act pursuant to
 15 Section 6 of Article XIII B of the California Constitution for certain
 16 costs that may be incurred by a local agency or school district
 17 because, in that regard, this act creates a new crime or infraction,
 18 eliminates a crime or infraction, or changes the penalty for a crime
 19 or infraction, within the meaning of Section 17556 of the
 20 Government Code, or changes the definition of a crime within the
 21 meaning of Section 6 of Article XIII B of the California
 22 Constitution.

23 However, if the Commission on State Mandates determines that
 24 this act contains other costs mandated by the state, reimbursement
 25 to local agencies and school districts for those costs shall be made
 26 pursuant to Part 7 (commencing with Section 17500) of Division
 27 4 of Title 2 of the Government Code.