



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 5c

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Memorandum

TO: Legislation Committee

DATE: May 6, 2011

FR: Executive Director

W. I. 1131

RE: AB 710 (Skinner) — Infill Development & Sustainable Community Act

Background

AB 710 (Skinner) seeks to promote the development of housing and commercial property in downtown areas near public transit by capping the amount of parking that a city, county or charter city may require for such projects to one parking space per residential unit and one parking space per 1,000 square feet of nonresidential space. The bill has been recently amended to limit it to new development or changes of use in existing developments that are designated for development at a floor area ratio of 0.75 or above and are located in “transit intensive areas.” These areas are defined as land within one-half mile of a “major transit stop” (a rail station, ferry terminal served by bus or rail, or the intersection of two or more bus routes with at least 15 minute headways during peak commute periods), or a “high-quality transit corridor” (a corridor with fixed route bus service with at least 15-minute headways during peak commute hours) in existence or included in a regional transportation plan. The bill provides an exception if a local agency determines that peak occupancy rates are greater than 85 percent within one-quarter mile of the project site.

Recommendation: Support

Discussion

Sponsored by the California Infill Builder’s Association, AB 710 is designed to encourage infill development by reducing the amount of parking that is required for new or expanded housing and commercial/retail development in proximity to transit. The bill does not cap the amount of parking that a developer might propose to build, based on their own assessment of market demand, but does constrain how much parking a public agency may *require* in certain locations.

Over the last several years, MTC has conducted extensive research into parking requirements and their dual impact on driving and transit usage. There is no doubt that reducing requirements for minimum levels of off-street parking supports MTC’s *Plan Bay Area* goals, including reducing greenhouse gas emissions from passenger vehicles, housing future population growth within the urban footprint, and increasing the time people spend walking or biking for transportation. MTC’s recent market research about housing choices indicates a significant shift in the level of demand for parking among various market segments.

Allowing developers to provide less parking where there is low demand will allow them to reduce the cost to construct infill development. Parking in these locations typically requires structures, due to high land costs, but structured parking can cost \$30,000 to \$60,000 per space.

Existing parking requirements in many cities are based on low-density and single-purpose land use designations. Parking is costly to build and maintain and can increase the cost of projects by 10 to 20 percent. This not only results in higher sale and rental rates for housing and commercial property, but also hinders infill development altogether, making it that much more difficult for projects to “pencil out.” Furthermore, an abundance of parking, particularly free parking, undermines public transit ridership and discourages biking and walking by making it more attractive for residents, workers and shoppers to drive to their destination, even if the trip could be taken by public transit, foot or bike.

AB 710 is an excellent first step the Legislature can take towards reforming parking policies in California’s metropolitan areas. Because AB 710 can be expected to lower the cost of housing and commercial development in transit intensive areas, and encourage greater use of public transit, biking and walking, we recommend a support position on the bill.

Known Positions

Support

- California Infill Builders Association (sponsor)
- AG Spanos Companies
- Brookfield Homes
- TransForm
- Domus Development
- Civic Enterprise Development
- Creative Housing Associations
- Codding Enterprises
- David Taylor Interests
- JMA Ventures, LLC
- Natural Resources Defense Council
- Policy In Motion
- Township Nine

Oppose

- City of Concord



Steve Heminger