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How Does AB 2097 Impact Your California Municipality?

Since going into effect January 1, 2023, AB 2097 (codified as Government Code section 65863.2 *et seq.*) is slowly transforming California’s long-held relationship with parking for projects near transit. This article provides a recap of AB 2097, what we have learned so far about its implementation, and what the future holds for municipalities and developers when it comes to parking.

What is AB 2097?

AB 2097 prohibits a [local jurisdiction](#) from imposing or enforcing minimum parking requirements on development projects located within a 1/2 mile of a major transit stop (although such projects are still subject to EV and accessible parking requirements). “Major transit stops” include existing rail or bus rapid transit stations, ferry terminals served by bus or rail, the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during morning and afternoon peak commute periods, and transit stops that are included in any applicable regional transportation plan.

Its intent is to encourage denser, more transit-oriented development, reduce reliance on cars, and promote the use of public transportation.

When a project provides parking voluntarily, a local jurisdiction may impose requirements to require spaces for car share vehicles, require spaces to be shared with the public, or require parking owners to charge for parking, but may not require that voluntarily provided parking is provided to residents free of charge.

Exceptions to AB 2097

Exceptions to AB 2097’s prohibition on parking requirements are narrow. For housing development projects, a public agency would need to make written findings that not imposing minimum parking would have a substantially negative impact, supported by a preponderance of the evidence in the record, on the agency’s ability to meet its share of specified housing needs or on existing residential or commercial parking within a 1/2 mile of the project. However, this exception would not apply to: 1) housing projects that have a minimum 20% very low, low-, or moderate-income households, students, the elderly, or persons with disabilities; 2) housing projects

with fewer than 20 housing units; or 3) housing projects already subject to parking reductions based on any other applicable law.

Additional exceptions include:

- Publicly-accessible commercial parking if the parking reduction were to conflict with an existing public agency contract that was executed before January 1, 2023.
- Event center parking, as required by local ordinance, for employees and other workers.
- Projects that include any portion designated for use as a hotel, motel, bed and breakfast inn, or other transient lodging (not including residential hotels).

AB 2097 In the Field

Reactions to AB 2097 have been mixed. Some local jurisdictions have embraced the law's approach, recognizing the potential benefits of reducing parking requirements in favor of transit-oriented development. This has been seen especially with jurisdictions that already have robust public transit infrastructure.

For others, AB 2097 merely represents the latest in a long line of bills that appear to reduce or otherwise limit local control and discretion – this time potentially increasing the strain on already limited parking, worsening traffic congestion, and discouraging visitors to already-struggling retail centers. More car-dependent smaller cities and suburban areas, in particular, can face even greater pressures from the local community over parking shortages.

The development community has generally reacted positively to AB 2097, although its use is likely not as widespread as state legislatures might have hoped. While the law creates more flexibility for developers in designing projects without the constraint of having to provide a certain amount of parking spaces, its limited geographical applicability means that many projects do not qualify. Parking reductions through other state laws, such as Density Bonus Law might even provide greater flexibility for developers seeking to make their projects pencil out. The provision of at least some parking appears more in line with market demand, as Californians continue to be an overwhelmingly car-dependent culture.

The Future of AB 2097

The full impact of AB 2097 will likely become more apparent in the next several years, particularly as laws pertaining to transit-oriented development continue to evolve, public transit infrastructure grows, and more developments are completed under the new framework. In

2024 alone, three new laws (AB 1308, AB 1317, and AB 894) all added even more restrictions to the ways local jurisdictions can require parking, making one thing clear - reduced parking is here to stay.

For questions or more information on California parking law or other real estate, land use, or CEQA matters, please [contact](#) the [Public Law practice group](#) at Burke, Williams & Sorensen.