



July 15, 2021

Assemblymember Laura Friedman  
State Capitol  
Sacramento, CA 94249

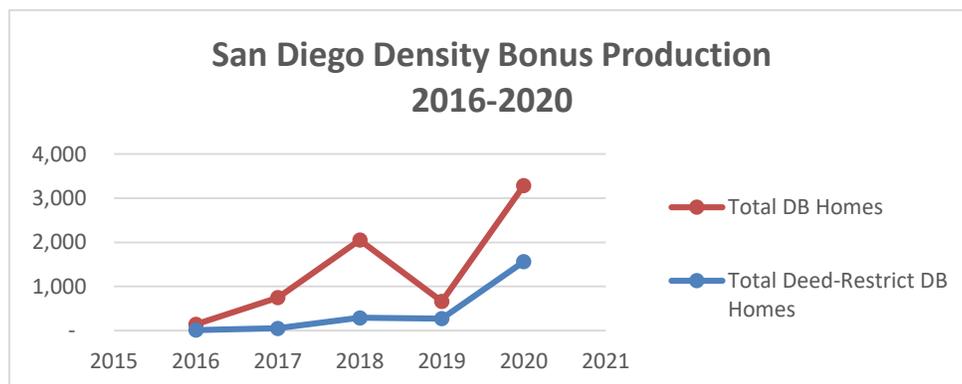
**SUBJECT: Support for Assembly Bill 1401 – Parking Requirements**

Dear Assemblymember Friedman:

On behalf of Circulate San Diego, whose mission is to create excellent mobility choices and vibrant, healthy neighborhoods, I am writing to support AB 1401. Specifically, I am writing to counter the argument that the reforms contained in the bill would undermine California's density bonus law. San Diego's experience shows that density bonus usage continued to rise even after eliminating some residential parking minimums.

In 2019, the City of San Diego eliminated minimum parking requirements for residential developments within transit priority areas. In 2020, San Diego's density bonus program produced more affordable and market rate homes than it ever had before. Many of these projects are located within transit priority areas. While a number of other factors could have caused this increase, it is safe to say that parking reform did not reduce density bonus usage.

Data from Housing Element Annual Reports published by the City of San Diego shows rapid growth in the number of density bonus projects entitled. In 2016, eight density bonus projects generated 15 affordable homes and 130 market rate homes. In 2020, 41 density bonus projects generated 1,564 affordable homes and 1,706 market rate homes.



In 2020, 51 percent of all homes entitled in the City of San Diego were in projects that used the density bonus. The data shows that (1) San Diego's enhanced density bonus is hugely successful in creating

more market rate housing and more affordable housing; and (2) the enhanced density bonus is not hindered by the elimination of parking minimums.

San Diego's enhanced density bonus offers developers the ability to build, by right and with ministerial approval, up to 50 percent more units than the underlying zoning would allow on a property.<sup>1</sup> In exchange, the developer is required to set aside a certain percentage of units as affordable to very low income, low income, or moderate income residents.<sup>2</sup> In addition, the developer receives up to 5 incentives, which may include deviations from development regulations, including parking requirements.<sup>3</sup>

San Diego's enhanced density bonus law served as the model for AB 2345 (2020), which increased the density bonus available in state law. The state density bonus law is similarly structured, but provides a maximum of 4 incentives.<sup>4</sup>

Some have argued that AB 1401's elimination of commercial and residential parking requirements in transit priority areas would result in a reduction in density bonus usage because developers would no longer have to use incentives in order to build projects that have fewer parking spaces than the underlying zoning would require. The continued and rapid rise in use of San Diego's density bonus law strongly suggests that this assessment is incorrect.

Minimum parking requirements in transit priority areas undermine California's climate goals and transit investments by legally enforcing car-first design. Doing away with those requirements does not prevent developers from choosing to build parking according to their assessment of market demand, but rather allows them to respond to the market demand for car-free living. Moreover, doing away with minimum parking requirements does not jeopardize housing production through California Density Bonus law because the density bonus' other benefits are ample to entice developers.

Thank you for your leadership on this important issue. AB 1401 will bring California closer to housing affordability and a sustainable future.

Sincerely,



Jesse O'Sullivan  
Policy Counsel

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<sup>1</sup> SAN DIEGO MUN. CODE § 143.0710 et seq.

<sup>2</sup> SAN DIEGO MUN. CODE § 143.0710 et seq.

<sup>3</sup> SAN DIEGO MUN. CODE § 143.0740.

<sup>4</sup> CAL. GOV. CODE § 65915(d)