
File ID: 2026-01474

8/25/2026

Modification and Extension of the Supplemental Parking Permit Pilot Program

File ID: 2026-01474

Location: District 4

Recommendation: Adopt a **Resolution** modifying and extending the Supplemental Parking Permit Pilot Program through July 31, 2028.

Contact: Greg Lim, Operations General Supervisor, (916) 808-5275, glim@cityofsacramento.org; Staci Kranitz, Parking Manager, (916) 808-5047, skranitz@cityofsacramento.org; Department of Public Works

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Resolution

Description/Analysis

Issue Detail: Assembly Bill 2097, approved in 2022, was created to encourage walkability and alternative forms of transportation by eliminating parking space minimums for new residential projects. Developers now have the option of providing sufficient on-site parking for residents or they can include limited or no parking spaces, which may help create more affordable housing by significantly reducing construction costs.

On February 27, 2024, City Council adopted Resolution 2024-0473 approving the Supplemental Parking Permit (“SPP”) Pilot Program, which authorized supplemental on-street parking permits in support of new development projects with limited on-site parking. The SPP Pilot Program is a voluntary initiative offering on-street parking as an alternative to off-street parking, aiming to reduce vehicle dependency.

City Council adopted Resolution 2025-00233 on January 21, 2025, extending the SPP Pilot Program through December 31, 2026.

The Supplemental Parking Permit (SPP) Pilot Program provides a mechanism for qualifying new

developments with limited on-site parking to obtain supplemental on-street parking permits for residents. The pilot was established to support housing and economic development by providing an alternative to constructing additional off-street parking while making more efficient use of the City's existing parking resources.

Since implementation, 7 development locations have enrolled in the pilot program. While the program has demonstrated interest from the development community, resident participation has been lower than anticipated under the current pricing structure, which requires permit rates to be set at 120 percent of comparable market parking rates. Staff has determined that this pricing requirement may be limiting utilization and reducing the program's effectiveness.

The proposed amendments would authorize the Parking Manager to adjust SPP permit rates based on demand, market conditions, and parking utilization, allowing the program to respond more effectively to changing conditions while ensuring that City parking resources continue to be managed responsibly.

Staff also recommends extending the pilot program through July 31, 2028, to allow additional time to evaluate the revised pricing structure, collect meaningful utilization and parking demand data, and assess the program's impacts on residents, participating developments, and parking availability during peak demand periods. The additional evaluation period will provide the necessary information to determine whether the SPP Pilot Program should be modified further, discontinued, or recommended for permanent implementation.

Policy Considerations: The recommendations in this report are in accordance with California Government Code Section 65863.2 (AB 2097) and the following policies in the proposed 2040 General Plan: M-2.17 Parking Management Strategy and LUP-4.14 Elimination of Vehicle Parking Minimums of the Sacramento 2040 General Plan.

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act: This is an administrative activity that is not considered a project as defined by Section 15378 of the California Environmental Quality Act (CEQA) Guidelines. Therefore, no environmental review is required.

Sustainability: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: On February 27, 2024, City Council adopted Resolution No. 2024-0473 establishing the Supplemental Parking Permit (SPP) Pilot Program, which authorized

supplemental on-street parking permits in support of new development projects with limited on-site parking. The voluntary pilot program provides an alternative to constructing additional off-street parking, supporting more efficient use of the City's existing parking supply while advancing transportation, housing, and sustainability objectives.

On January 21, 2025, City Council adopted Resolution No. 2025-00233 extending the SPP Pilot Program through December 31, 2026.

To date, 7 development locations have enrolled in the SPP Pilot Program; however, resident participation has been lower than anticipated under the current pricing structure, which requires permit rates to be set at 120 percent of comparable market parking rates. Staff believes this pricing requirement has limited the program's attractiveness and reduced resident utilization. Modifying the pricing structure and authorizing the Parking Manager to adjust permit rates based on demand, market conditions, and parking utilization will provide greater flexibility, improve participation, and allow the program to better respond to changing conditions.

Staff recommends extending the SPP Pilot Program through July 31, 2028, to allow sufficient time to evaluate the effectiveness of the revised pricing structure and collect meaningful data on resident utilization, parking demand, operational flexibility, and overall program performance. This additional evaluation period will help determine whether the program provides measurable benefits to both the City and participating developments while preserving parking availability for other users during peak demand periods. Prior to the pilot's expiration, staff will return to City Council with program findings and recommendations regarding whether the SPP Program should be established as a permanent program.

Financial Considerations: There is no additional financial cost to extend the pilot program. To ensure the program goals are met, the Parking Manager shall have the authority to establish SPP parking rates. All SPP revenue will be credited to the General Fund (Fund 1001).

Local Business Enterprise (LBE): Not applicable.

RESOLUTION NO. 2026-

Adopted by the Sacramento City Council

August 25, 2026

MODIFICATION AND EXTENSION OF SUPPLEMENTAL PARKING PERMIT PILOT PROGRAM

BACKGROUND

- A. Assembly Bill 2097, approved in 2022, was created to encourage walkability and alternative forms of transportation by eliminating parking space minimums for new residential projects. Developers now have the option of providing sufficient on-site parking for residents or they can include limited or no parking spaces, which may help create more affordable housing by significantly reducing construction costs.
- B. On February 27, 2024, City Council adopted Resolution 2024-0473 approving the Supplemental Parking Permit (“SPP”) Pilot Program, which authorized supplemental on-street parking permits in support of development projects with limited on-site parking.
- C. City Council adopted Resolution 2025-00233 on January 21, 2025, extending the SPP Pilot Program through December 31, 2026.
- D. Since implementation, seven development locations have enrolled in the pilot program. While the program has demonstrated interest from the development community, resident participation has been lower than anticipated under the current pricing structure, which requires permit rates to be set at 120 percent of comparable market parking rates. Staff has determined that this pricing requirement may be limiting utilization and reducing the program's effectiveness.
- E. The proposed amendments would authorize the Parking Manager to adjust SPP permit rates based on demand, market conditions, and parking utilization, allowing the program to respond more effectively to changing conditions while ensuring that City parking resources continue to be managed responsibly.
- F. Staff also recommends extending the pilot program through July 31, 2028, to allow additional time to evaluate the revised pricing structure, collect meaningful utilization and parking demand data, and assess the program's impacts on residents, participating developments, and parking availability during peak demand periods. The additional evaluation period will provide the necessary information to determine whether the SPP Pilot Program should be modified further, discontinued, or recommended for permanent implementation.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

Section 1. The Supplemental Parking Permit Pilot Program is hereby extended through July 31, 2028.

Section 2. Authorize the Parking Manager to adjust SPP permit rates based on demand, market conditions, and parking utilization, allowing the program to respond more effectively to changing conditions while ensuring that City parking resources continue to be managed responsibly.