

ATTACHMENT 2

CARMEL-BY-THE-SEA MUNICIPAL CODE

17.38.040 Parking In-Lieu Fee Program.

When parking adjustments have been authorized by the Planning Commission in conformance with CMC [17.38.030\(C\)](#), required parking may be satisfied by the payment to the City of in-lieu fees. Funds collected by the City from such payments shall be deposited in a specific fund and used by the City to acquire and/or develop off-street parking. Such parking shall be available to the public and shall be in or near the business district of the City. Funds paid to the City for in-lieu parking shall not be refundable in the event of destruction or removal of the structure or land use for which the funds were paid, but shall run with the land. The City shall maintain a record of all spaces credited to each property including all spaces paid through in-lieu fees, spaces physically provided on each property and all spaces represented by the existing parking nonconformity on each site.

A. Payment of In-Lieu Fees. All in-lieu parking fees shall be paid prior to the issuance of the first permit (any business license or building permit) for which the in-lieu fees are required with one exception. The only exception arises when the number of in-lieu parking spaces exceeds five, in which case at least 40 percent of the total in-lieu fees shall be paid prior to the issuance of the project permit or license and the remaining balance shall accrue interest at the prime interest rate fixed on the date the first permit or license is issued. Any fees, including interest that will be subject to such delayed payments shall be evidenced by a promissory note. This promissory note shall provide for the payment of attorney's fees and costs to the prevailing party and shall be secured by a deed of trust.

B. Determination of Value of Parking In-Lieu Fees. The amount to be charged for an in-lieu parking space shall be determined by using the current construction costs of public garages having Type I or Type II fire resistance and the regional modifier for the San Francisco area as supplied by the "Building Standards" of the International Conference of Building Officials and a factor representing land costs. Four hundred square feet shall be used as the necessary area for a car to park and have maneuvering room with ingress and egress. The current construction costs per square foot shall be multiplied by the modifier to determine the cost per square foot to construct the parking space. The cost of constructing the parking space shall then be increased by 50 percent to reflect land cost. This total shall be the fee paid for each full in-lieu parking space. A fee reduction of 25 percent shall be allowed for parking spaces required for newly established residential dwelling units. (Ord. 2004-02 § 1, 2004; Ord. 2004-01 § 1, 2004).