



Parking Facility Tax Frequently Asked Questions

What is Parking Facility Tax?

The City of Santa Monica instituted a 10% Parking Facility Tax (PFT) in 1993. This tax currently applies to all public and private parking lots and structures in the City for occupying a parking space in any parking facility.

Who pays Parking Facility Tax?

Every person occupying a parking space in a parking facility is required to pay the parking facility tax. In many cases, the parking facility tax is included in the parking rate.

Are there any exemptions or exceptions to PFT?

Yes, the Santa Monica Municipal Code section 6.70.090 provides the following exceptions:

§ 6.70.090 Exceptions.

No tax shall be payable hereunder in any of the following instances:

- (a)** On the parking fee paid by any federal, State of California, or City of Santa Monica, official or employees when on official business provided that a tax-exempt certificate is executed no later than the time when payment of the parking fee is due, on a form to be provided by the Director of Finance.
- (b)** On the parking fee deposited in any parking meter owned or operated by the City.
- (c)** On the parking fee paid for any City preferential parking permit.
- (d)** On the parking fee paid as part of any residential dwelling unit lease, rental agreement or obligation, including on the parking fee paid as part of any hotel, motel or other lodging facility occupancy, but only when the length of the occupant's stay exceeds thirty consecutive days in the hotel, motel or other lodging facility.



Why is Measure K appearing on the November 2024 Ballot?

On December 19, 2023, Council directed staff to evaluate the potential to place a General Tax with an Advisory Measure on the November 2024 ballot to increase the PFT with the intent to use the funds generated to reduce traffic congestion and the risk of traffic fatalities and serious injuries in Santa Monica.

On July 23, 2024, Council directed staff to increase the PFT by 8% to 18% with an advisory measure asking voters whether half of the additional revenue generated by the tax measure should be allocated to address public safety and homelessness.

What facilities will be impacted?

Measure K will only apply to private parking lots and structures because City-owned lots and structures will be exempt from the updated tax rate.

Will the beach lots and City owned lots and structures be impacted by the updated tax rate?

If the proposed tax measure to increase the PFT rate is approved by the voters, the tax at all City-owned parking lots, structures and beach lots will remain at the existing rate of 10%. Additionally, the 30- and 90-minute grace periods with free parking at certain City-owned parking structures would not be affected by Measure K.

Does Measure K increase city revenues?

Yes. Measure K is estimated to generate incremental new revenues of approximately \$6.7 million annually for the City's General Fund.

If passed, when would Measure K go into effect?

If approved by voters, Measure K would go into effect on January 1, 2025.

Measure K Ballot Language

To maintain essential city services, including enhancing public safety, creating safe routes to school to protect children, and lowering the risk of fatal traffic accidents, shall the measure increasing the City of Santa Monica Parking Facility Tax by 8% for users including visitors and tourists, causing no additional cost in City-owned lots and structures (including downtown and the beach) because of a partial City exemption, generating approximately \$6,700,000 annually until ended by voters, be adopted?

The Council has also proposed an advisory measure, Measure PSK to guide spending of additional resources if the Measure K passes.

Parking Facility Tax Advisory Measure PSK

ADVISORY VOTE ONLY: If Measure K is enacted, should at least half of the additional revenue raised be used to protect public safety in Santa Monica, including attracting and retaining well-trained police officers and firefighters, improving crime and homelessness prevention services, and increasing police patrols and enhancing emergency medical response in neighborhoods and public areas, including downtown, the pier, and the beach?

