

## Reforming Municipal Parking Policies to Align With Strategic Community Goals

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*Like most cities, Victoria contains many older houses and apartment buildings with few or no off-street parking spaces, yet they attract occupants who are car-free, or willing to rent off-site parking spaces.*

*Conventional parking regulations prohibit such housing, which reduces housing affordability, increases traffic problems, and is unfair to car-free households.*

*A new paradigm is changing the way we think about parking problems and evaluate solutions.*

The City of Victoria is currently engaged in a parking policy review which proposes reducing some off-street parking requirements (<http://victoria.ca/zoningparking>). These changes are good, but modest. This short report identifies much bolder reforms that would better align parking policies with other community goals. Although written for Victoria, the analysis and recommendations are appropriate for most municipalities.

## Introduction – Why Reform Parking Policies

The City of Victoria is engaged in a parking policy review which proposes that some off-street parking requirements be reduced. These changes are good, but modest. Much bolder reforms are justified to better align parking policies with other community goals.

Current parking policies prioritize motor vehicles over people. No law requires property owners to provide free housing to *people*, but our zoning codes require property owners to provide abundant housing for *motor vehicles* in the form of off-street parking. These policies are costly and unfair, and conflict with other planning goals.

Parking is costly! A typical urban parking space costs \$5,000-10,000 if surface, and \$20,000-60,000 if structured, or \$500-3,000 in total annualized costs (Litman 2009). Many parking spaces are worth more than an average car, and since zoning codes require three or more off-street parking spaces per vehicle, most automobiles are worth less than the total value of parking spaces required by law to serve them. Described differently, for each dollar motorists spend on their vehicles they expect somebody to spend more than a dollar to park it, a large but hidden subsidy of automobile use. The total subsidy per vehicle is about half the cost of a basic, affordable housing unit.

### Parking Costs Per Vehicle (Chester, et al. 2015; Litman 2009; McCahill and Garrick 2012)

	Annualized Cost Per Space	Spaces Per Vehicle	Total Cost Per Vehicle
Suburban	\$750 (mostly surface)	4	\$3,000
Urban	\$1,000 (mix of surface and structured)	3	\$3,000
City center	\$2,000 (mostly structured)	2	\$4,000

*Land, construction and operating costs typically total \$500 to \$3,000 annually per space, and because there are 2-6 parking spaces per vehicle, parking costs typically total \$3,000-4,000 annually per motor vehicle. This is about half the cost of a basic affordable housing unit.*

This is unfair and harmful. These policies force households that own fewer than average vehicles to subsidize the parking costs of their neighbors who own more than average vehicles. This increases vehicle ownership and use, and associated problems including traffic congestion, accidents, pollution emissions and sprawl. Compared with motorists paying directly for parking, free parking increases driving by 20-40%, which means that approximately a third of traffic problems result from parking regulations which force property owners to provide abundant, free parking at most destinations. Free parking is a fertility drug for cars (Shoup 2005).

Minimum parking requirements are a major obstacle to housing affordability. Satisfying parking requirements adds just 5-10% to the price of a million dollar house, but 20-40% to the price of a basic apartment, making it infeasible to develop urban housing areas that are affordable to moderate- and lower-income households.

Ironically, the land use categories with the highest parking requirements include bars and pubs: the city requires five spaces per 100 square meters in most areas, with no reduction proposed. On one hand, we want to discourage drunk driving, but on the other hand, municipal laws are intended to help patrons drive to drinking establishments, and discourage development of neighborhood bars and pubs located where patrons can easily walk home. Everybody would be safer if municipal policies encouraged walking rather than driving to bars and pubs.

In practice, off-street residential parking requirements often reduce rather than increase available parking supply. A driveway usually displaces one on-street parking space, which converts a public on-street space that serves many users into a private space that is only available to house occupants. Driveways are an impediment to pedestrians, particularly wheelchair users. Minimizing driveways and more efficiently managing on-street parking can generally increase residential street parking supply.

### **Parking Mandates Convert Public On-street Into Private Off-street Parking**



*A typical residential driveway serves one vehicle and displaces one on-street parking space. As a result, it provides no net increase in parking supply, and converts public parking that serves many destinations into private parking that only serves house occupants. It also degrades sidewalk conditions, particularly for wheelchair users.*

Per capita automobile ownership and use are declining, particularly in cities like Victoria that are improving walking, cycling, transit, ridesharing and carsharing options, and support transportation demand management. Many Victoria residents, particularly seniors, youths (under 30), and those with low incomes, live car-free. It makes no sense to require those households to pay for parking spaces they don't need.

This is not to suggest that automobile ownership and the need for parking will disappear. Cars are useful for many trips and require parking at each destination. However, minimum parking requirements is an ineffective solution to parking problems, since it only affects new construction. In most cases, better management of existing parking spaces is a faster and more cost effective solution that avoids exacerbating other problems such as housing affordability, traffic congestion or stormwater management burdens.

Parking policies tend to be self-fulfilling; generous minimum parking requirements result in abundant free parking, which increases vehicle ownership and use. Conventional standards give property owners little incentive to manage parking more efficiently since reducing demand would leave expensive parking spaces unoccupied. Reducing or eliminating minimum parking requirements encourages them to implement management strategies such as parking pricing and incentives to use alternative modes.

The way we define parking problems and evaluate potential solutions is changing. Current policies reflect the old paradigm, which assumed that automobiles are a superior form of travel that should be encouraged with abundant, free parking. The new paradigm recognizes that driving is just one of many travel modes, that too much parking is as harmful as too little, and that parking subsidies are unfair and inefficient. Better management can significantly reduce the number of parking spaces needed to serve a particular destination and is often the best solution to parking problems

The currently proposals reflect the old paradigm: They assume that parking should continue to be abundant and free in most areas, and offer property owners no incentive to implement parking management strategies such as pricing and unbundling (parking spaces are rented separately from building space), on-site carsharing services, or commute trip reduction programs. The proposed changes are backward looking, based on past vehicle ownership rates, rather than forward looking, reflecting the additional vehicle ownership reductions expected to occur due to demographic trends and improvements in alternative modes, and the additional reductions that can occur if lower parking requirements cause more property owners to implement demand management. Much greater reductions are justified for equity and efficiency sake.

The proposal reduces some parking requirements but includes no adjustments for factors that reduce parking needs, such as efficient pricing, sharing agreements, and carsharing services. The proposed requirements are unfair to car-free households and are a major deterrent to affordable housing. For example, requiring 0.75 to 0.9 parking spaces per unit for small rental apartments will discourage development of *Missing Middle* housing types, which are an excellent way to provide lower-priced infill.

### Missing Middle Housing (Parolek 2014)



*“Missing middle” refers to moderate-density, lower-cost housing types suitable for neighborhood infill.*

The city's parking requirements are minimums; reducing or eliminating them will not eliminate parking supply, it simply allows developers to determine parking supply based on market demands. Many economically successful areas, including Victoria's Downtown and Harris Green areas, operate efficiently with no minimum parking requirements. In those areas many housing units are sold and rented with unbundled parking, and as a result, are much more affordable.

Instead of minimum parking requirements Victoria could allow developers to decide the number of parking spaces to supply based on market demand, and encourage developers to unbundle parking, so parking is rented or sold separately from building space, allowing occupants to pay only for the parking that they actually need. This will only occur if minimum requirements are automatically reduced if developers price parking or apply other parking management strategies.

Of course, with or without these reforms many areas sometimes experience parking shortages. The city should therefore develop proactive and integrated solutions that rely primarily on better management instead of requiring property owners to increase parking supply. The city can develop parking management plans that apply an appropriate set of strategies, which may include new regulations, pricing, sharing, commute trip reduction programs, better signage, improved walkability, public transit improvements and better enforcement, as needed at a particular time and place.

## **Recommended Reforms**

For reasons described above, I recommend the following parking policy reforms.

1. Significantly reduce the minimum parking requirements below what is proposed, to reflect the reductions in future motor vehicle ownership and use that are expected in urban areas due to demographic and economic changes, and the region's efforts to improve and encourage alternatives to automobile travel.
2. Significantly reduce minimum parking requirements for condominiums and rental apartments in all areas in order to support affordable infill housing.
3. Significantly reduce parking requirements for bars, pubs and restaurants located in neighborhood villages.
4. Eliminate off-street parking requirements if a residential driveway would displace an on-street parking space, providing no net increase in parking supply.
5. Expand the area with zero parking requirement, where developers can determine parking supply based on market demand. This currently only applies in the downtown core, which is now experiencing a badly-needed residential development boom (Victoria is rated as one of the least affordable housing markets in Canada); it could be applied in other areas where dense and affordable development is desired.

6. Significantly reduce parking requirements for developments that implement appropriate parking management strategies. Provide a table of adjustment factors that indicate the reduction in parking requirements provided by various strategies, such as the following.

**Parking Requirement Adjustment Factors (Litman 2006; Willson 2015)**

Strategy	Description	Reduction
Mixed developments	A development contains a mixture of land use types with different peak periods, such as housing, shops and restaurants	10-30%, depending on mix
Sharing agreements	Managers of nearby properties with a mixture of land use types that have different peak periods have agreements to share their parking facilities	10-30%, depending on mix
Transit proximity	A commercial or residential development is within 200 meters of at least two bus lines	20%
Remote parking	Property manager has permission to use off-site parking lots, with signage indicating to motorists where this is available	20%
Smart growth	Encourage more compact, mixed, multi-modal development to allow more parking sharing and use of alternative modes.	20%
Commute trip reduction programs	Employers encourage employees to use non-automobile modes	20%
Parking Pricing and Cash Out	Charge motorists directly for parking facilities, or offer commuters who use alternative modes the cash equivalent of the parking spaces they don't use	30%
Unbundle parking	Rent or sell parking facilities separately from building space	20%
Bicycle facilities	Provide bicycle storage and changing facilities	10%
Overflow parking plans	Establish plans to manage occasional peak parking demands	Varies
Contingency plans	Allow developers to reduce parking supply provided they have a plan which specifies how they will respond if that proves insufficient in the future	Varies

*This table indicates the default reduction in parking requirements that the city could provide for developments that meet these criteria.*

7. Where parking supply is insufficient, develop local parking management plans which apply various solutions, including more sharing of existing parking facilities, improved regulations and pricing to encourage turnover, better user information so motorists can find available parking spaces, and improved walking conditions to expand the range of parking lots that serve the area.
8. Identify responses that the city will consider to address spillover parking problems in residential areas. This can include increased regulation and pricing of public parking spaces, and new pricing strategies such as changing from “residents only” to pricing of on-street parking in residential neighborhoods.

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