

## Parking Standards



### **The fact is: Parking standards can have a positive impact on housing and other real estate projects.**

Very often the costs for building a parking space in a garage or underground can be between €20,000 and €40,000. In many urban (re)development project parking plays an important role, especially from the point of view of financial feasibility of the project. Parking requirements – also known as parking standards or parking norms – are a fundamental issue for real estate and the key to secure the link between urban regeneration and sustainable mobility. Maximum parking standards should take the place of minimum standards, especially in areas where there is effective control of on-street parking.

One of the most important problems regarding the use of parking standards is that “... urban planners neglect both the price and the cost of parking when they set parking requirements, and the maximum observed parking demand becomes the minimum required parking supply” (Shoup, 2005: p. 580). Parking standards are usually set up by local authorities on the base of national guidelines.

Parking requirements can be used by local authorities as minimum or as maximum requirements. Minimum parking requirements are usually used when the local authority wants the project developer of a location to provide enough parking capacity in order to satisfy the demand generated from that specific location. The objective is to prevent that a (new) location, for example an office building, generates parking problems in its vicinity, for example residential areas. On the other side, maximum parking requirements are mostly used in central areas, usually well served by public transport, and are meant to restrict the number of motorists entering the location (Mingardo, et al, 2014).

Unfortunately very often project developers consider parking – and more in general the issue of mobility – after the investment decision has been made. The result is that very often real estate projects in urban areas are delayed or even cancelled because of the financial costs related to the provision of parking. In a recent study about 10 large urban (re)development

projects in the Netherlands, parking was found as one of the main sources for delay in 7 cases (van der Steen and Mingardo, 2011).

Developers know that there is a part of urban citizens that choose to live in the city without (possessing) a car. If developers are not forced to provide a minimum amount of parking, they can considerably reduce the costs of the project. Accordingly, the price per apartment can be reduced, or the size increased, because the money does not have to be used to build parking. Additionally, residents who do not have a parking space do not subsidize those who do. Wilson (2013) has found evidence that easing the parking standards - i.e. allowing the developers to choose rather than blindly obey the norms – contributed significantly to the realization of many housing projects that would have not otherwise been built if the developer had to follow the official minimum parking requirements.

Parking management can allow local authorities to be more flexible when it comes to parking standards. For example, it is common in the 33 boroughs in London (including suburban areas 15-20 km from the centre of London) for some housing to be built as car free, with no parking at all provided. Many smaller cities around London, such as Canterbury, have similar policies. Residents of these developments are not allowed to buy a permit to park on street so their only option, if they want a parking space, is to rent or buy an off-street parking space privately on the open market. In the Borough of Islington, which is in inner (but not central) London, no parking is permitted to be built with any new housing of any type, and land in the area of a property (for example gardens) is not permitted to be converted to parking (see London Borough of Islington Local Plan 2013). House prices in Islington rose by 15.4% in the year to March 2014, to an average of €8,000 per square meter, one of the highest in London (see <http://www.itv.com/news/london/2014-05-19/london-house-prices-up-by-16-3-borough-by-borough-breakdown/>).

Policy makers and planners should consider the total parking supply in the area before requiring new capacity, and seek ways to allow multiple uses of parking facilities. For example the city of Utrecht applies lower parking requirements in areas with on-street paid parking.

Parking standards could be related to accessibility of the area at least by public transport. If an area is well served by public transport less people using the development area need a car. Minimum parking requirements can also be eliminated in order to stimulate sustainable growth, as recently happened in Sao Paulo (ITDP, 2014) or already for a number of years in Amsterdam, Zürich, in some parts of Paris or in much of the UK.

## References

- ITDP (2014), New São Paulo Masterplan Promotes Sustainable Growth, Eliminates Parking Minimums Citywide, ITDP Transport Matters Blog, July, 7 2014 (<https://go.itdp.org/pages/viewpage.action?pageId=60294380>)
- G Carson, M Dix, J Callaghan and R Slevin, (1999), Encouraging Sustainable Development by Linking Public Transport Accessibility, New Parking Standards and Developer Contributions, Traffic Engineering & Control,
- Mingardo, G., Wee, van G.P. and Rye, T. (forthcoming), Urban Parking Policy in Europe, 2014.
- Shoup, D. (2005), The High Cost of Free Parking, American Planning Association, Chicago, Illinois.
- Steen, van der D and Mingardo, G (2011), Van parkeernormen per gebouw naar parkeernormen per gebied, Real Estate Magazine, 2011.
- Wilson, R. (2013), Parking Reform made easy, Access, No. 43, Fall 2013.