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America Has Too Much Parking. Really.

Cities get rid of spaces, freeing land for new development; ‘looking for a place to live, not to park’

By David Harrison [Follow](#) | Photographs by Philip Cheung for The Wall Street Journal

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For decades, American cities have had a parking problem: too much of it.

Countless residential parking spots go unused, and many downtown garages sit half empty. Ride-sharing and the rise of remote work during the pandemic have aggravated the trend. The average American drove 4% fewer miles in 2022 than in 2019, according to government statistics.

Recognizing this, cities are shrinking the number of spaces, freeing up the land for other uses, with far-reaching consequences.

Garages and parking lots are being demolished. New buildings now come with fewer spots. Major retailers are leasing unused spaces for new development. And local governments are scrapping decades-old minimum-parking rules for new buildings.

Urban planners and economists say this helps to reduce construction costs, hold down rents, relieve congestion, revitalize cities and mitigate the national housing shortage by making better use of some of the country’s most valuable land.

“The Dutch have reclaimed land from the sea, and I think we can reclaim land from parking,” said Donald Shoup, an urban planner at the University of California, Los Angeles who pioneered the field of parking research.

Any driver who has been late to an appointment for lack of a parking spot might be surprised to hear there is a parking glut. Economists, however, say expectations for inexpensive or free on-street parking create the appearance of scarcity when in fact spots

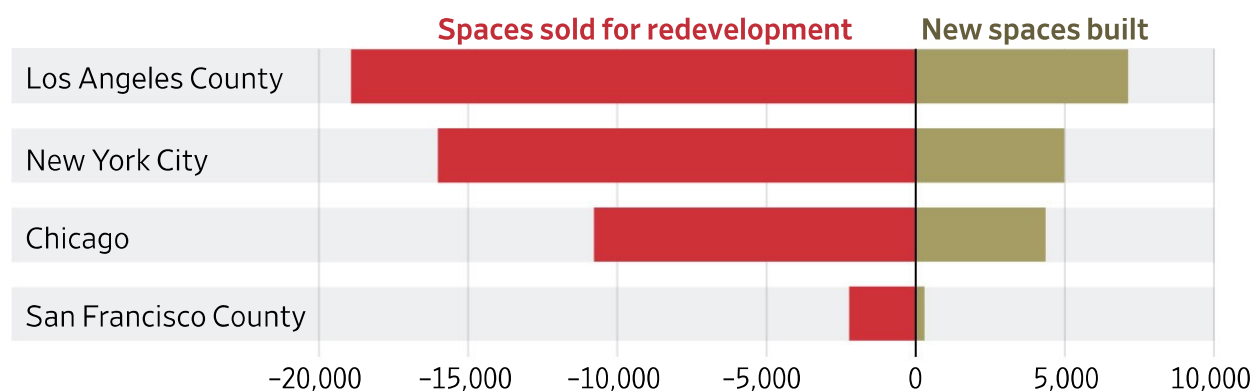
often are plentiful nearby. Drivers prefer to circle the block looking for government-provided curbside parking rather than paying more in a privately owned garage. That adds to congestion.

Meanwhile, garages are rarely full. A 2012 survey by real-estate firm Colliers International found downtown parking garages in most major U.S. and Canadian cities have at least 20% vacancy during weekdays and on weekends during special events.

Mr. Shoup estimates there are between 700 million and 2 billion spaces in the U.S. That equates to between 2½ to seven spots for every registered vehicle. There are no official government statistics.

Dozens of cities across the country have eliminated at least some minimum-parking requirements, including big coastal cities such as New York City and San Francisco, and smaller cities such as Norman, Okla., and Bend, Ore. Last year, California abolished parking minimums statewide for new construction near public transit.

Change in the number of parking spaces in standalone garages and lots since 2010



Source: CoStar

Places that still have parking requirements are now more willing to grant exceptions.

Three years ago, the Charlotte, N.C., city council granted a rezoning request to Grubb Properties, a local developer, to build a 104-unit apartment close to downtown with no resident parking at all.

That enabled it to build about 25% more units than would have been possible had the building included parking, said Clay Grubb, the company's chief executive. Fitting in more units means rents will be about \$250 lower than they otherwise would have been, he said.

The building, which is set to open next year, will feature bicycle storage areas. It sits along a greenway close to downtown, and Mr. Grubb expects many residents will bike to work.

Mr. Grubb contrasted the Charlotte development with a 405-unit apartment project in Aurora, Colo., where city rules require him to build 485 spaces even though he estimates residents will only need 390. “That is a complete waste of money,” he said.

Building those extra spots, which subtracts from the space available for apartments, he said, will add more than \$100 to the average rent. The building sits next to a major hospital complex and not far from public transit. Mr. Grubb expects many of his future tenants to be hospital employees who will find it quicker to walk to work than to drive.

A 104-unit apartment building that Grubb Properties is building near downtown Charlotte, N.C., will have no resident parking at all.

PHOTO: ANGELA OWENS/THE WALL STREET JOURNAL

Michael Brannen, a spokesman for Aurora, said city parking requirements take into account the neighbors of residential or commercial properties, who often worry that new

developments will overwhelm the neighborhood's parking supply.

America's parking glut has its roots in zoning rules first passed in the 1950s, when car ownership was on the rise and urban planners worried there weren't enough curb spaces for all the new drivers. Many municipalities imposed detailed parking requirements for every type of land use. In Los Angeles, for instance, churches must include one spot for every five seats in the pews. Hospitals must have two per bed.

Parking mandates resulted in an abundance of parking, particularly in the West, where development boomed after they took effect. Parking covers about 14% of the land area in Los Angeles County, according to one study by a group of researchers from Arizona State University, UCLA and Georgia Tech. That is an area almost as large as Houston.

About 20 years ago, researchers and local leaders began challenging the rationale behind those rules. A 2016 study by C. J. Gabbe, a professor at Santa Clara University, and Gregory Pierce of UCLA found many of those spots are rarely used. The cost of providing all those spots is passed on to consumers in the form of higher rents or retail prices that even nondrivers pay, subsidizing drivers.

A garage adds about 17% to the average rent, the study found. Almost three-quarters of carless renters have a parking spot included in their rent. They collectively pay \$440 million a year for parking they don't need, the study concluded.

One of the earliest experiments with reducing parking came in 1999 with a Los Angeles ordinance designed to turn neglected downtown office buildings into apartments and

Downtown parking garages in most cities are rarely full. A garage in Los Angeles.

condominiums.

To encourage builders to take a chance on what was then a moribund part of town, the ordinance made them exempt from parking requirements though forbidden from removing

existing spaces.

That allowed builders to pack more units into the buildings and offer them at lower cost. In a 2013 paper, Michael Manville, a UCLA urban-planning professor, studied 56 of those refurbished buildings that added about 6,700 new units, and found that 2,640 of them wouldn't have been economically viable had existing parking rules prevailed.

In many cases, developers were able to lease existing spaces in the neighborhood to provide parking for a fee for those residents who wanted it.

Josh Gray-Emmer moved to one of the renovated buildings 20 years ago and later bought a condo in another, an old hotel where Charlie Chaplin once lived.

At first, he paid to park in a neighboring garage. About eight years ago, he gave up his car and parking spot, saving \$250 a month and, he said, improving his quality of life.



The apartment building where Josh Gray-Emmer lives in Los Angeles. He gave up his car and nearby parking space about eight years ago.

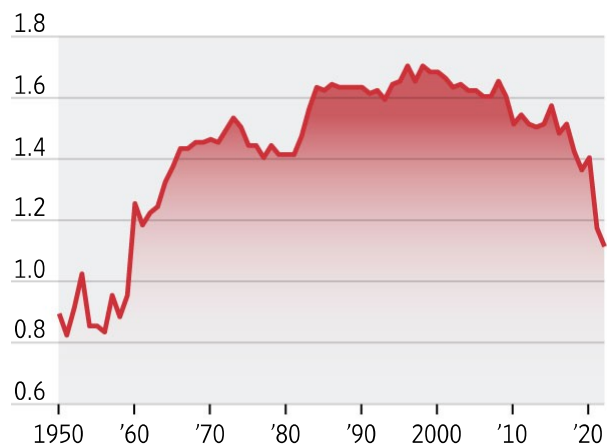
The ordinance kicked off a wave of downtown redevelopment that has brought \$35 billion in investment and boosted downtown's population from 18,000 to around 85,000, said Nick Griffin, executive director of the Los Angeles Downtown Center Business Improvement District.

"Eliminating parking requirements can have this huge impact on the quality of life and sustainability of a community," said Sara Bronin, an architecture professor at Cornell University. "It is among the most significant changes that a local government can make."

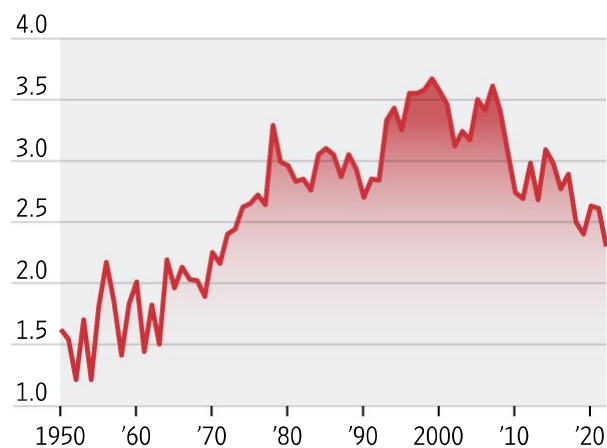
The shift away from parking picked up steam about a decade ago, as more people moved downtown for closer access to jobs and amenities. A rebound in apartment construction following the 2007-09 recession led governments to plan for denser, more walkable

neighborhoods, which meant less land set aside for cars.

Average number of parking spaces per new U.S. residential unit



Average number of parking spaces per 1,000 square feet of new U.S. office construction



Sources: Yardi Matrix (per new residential unit); CommercialEdge (per square feet)

In 2017, Buffalo, N.Y., became one of the first big cities to eliminate minimum parking requirements citywide. “The priority was people are looking for a place to live, not to park,” said Brendan Mehaffy, the city’s director of strategic planning.

Developments approved in the first two years after the change provided 21% fewer spots than would have been required under the old rules, according to a study by the University of Buffalo. It also contributed to a development boom in the city’s downtown that helped arrest decades of decline.

The latest once-a-decade Census count, done in 2020, showed Buffalo’s population grew for the first time since the 1950 Census.

One former parking lot on the east side of downtown is now a grocery store and 201 units of affordable housing, with limited on-site parking.

Buffalo has since become a model. Mr. Mehaffy frequently speaks to planners elsewhere looking to replicate the city’s parking policy.

The changes are starting to have an effect nationwide. Apartment buildings completed in 2022 included an average 1.1 spaces per unit, down from a peak of 1.7 in 1998 and the lowest parking ratio since 1959, according to Yardi Matrix, a data provider.

New office construction in 2022 included 2.29 spots per 1,000 square feet, down from a peak of 3.66 in 1999, according to CommercialEdge, a data provider.

Major retailers are also rethinking their parking supply. Macy’s Inc. has started redeveloping some parking lots near its department stores, leasing the space to fast-food

restaurants, coffee shops or banks.

The revival of downtowns has led developers to turn old parking lots and garages into new buildings. That has caused anxiety among some drivers and parking executives.

Street parking in downtown Los Angeles. The city has lost parking spots as lots and garages get redeveloped.

Since 2010, Los Angeles and New York City have each lost more than 11,000 spots as old parking lots and garages get redeveloped, according to an analysis performed for The Wall Street Journal by real-estate firm CoStar.

In Philadelphia, the city estimates the number of parking spots in downtown garages fell to 45,898 in 2020, from 50,023 in 2010, replaced by office and condo towers.

A 22.5% gross-receipts tax on parking operators is pushing many to sell or redevelop their properties, said Robert Zuritsky, chief executive of Parkway Corp., a Philadelphia real-estate company that owns and operates parking facilities.

“You went from the city through policy and regulation forcing you to build too much parking to now really they’re forcing developers to not have any parking at all,” he said.

Rebecca Lopez Kriss, Philadelphia's deputy revenue commissioner, said the city uses the tax to encourage more high-value development downtown. "The parking tax is really one strategy to promote alternative transportation options and sustainable land use," she said.

The 19-story headquarters building for the law firm of Morgan Lewis & Bockius is going up on a former parking lot. Comcast Corp. built a \$1.5 billion skyscraper on another lot. Elsewhere, hotels and apartments have gone up on land once used to park cars.

Corie Moskow, who works downtown, used to park on the lot that will become the Morgan Lewis building. "Now I'm adding an extra half an hour in the morning just to make sure I can find a spot," she said.

Ms. Moskow is the executive director of the Rittenhouse Row Business Merchants Association in downtown Philadelphia. She worries that a lack of parking will keep people from visiting the area's stores and restaurants.

"We want to make it easier for people to come," she said. "Having less parking space isn't making it easier."

An indoor parking lot in Los Angeles.

Write to David Harrison at david.harrison@wsj.com

Corrections & Amplifications

Georgia Institute of Technology, commonly known as Georgia Tech, was incorrectly referred to as Georgia Tech University in an earlier version of this article. (Corrected on April 3.)

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