A Call to Action to Make Rozzie the Most Walkable Neighborhood in Boston

BY ELECTRONIC MAIL AND HAND DELIVERY

October 18, 2016

Committee on Parks, Recreation, and Transportation
Boston City Council
Boston City Hall, 5th Floor
Boston, MA 02201
Email: ccc.prt@boston.gov

RE: Comment Letter for Hearing on Parking in the City of Boston

Chairman LaMattina and members of the Committee:

Thank you for giving the public the opportunity to weigh in on the subject of parking in our city. I offer my comments here on my own, as a Roslindale resident, and also on behalf of WalkUP Roslindale, a collaborative community group with hundreds of supporters founded in May of 2015 that takes its name from the growing movement to foster and improve "Walkable Urban Places." Our goal is to make Roslindale the most walkable neighborhood in Boston.

Overall, we want the committee to know that it is our collective observation that Boston, taken as a whole, suffers not from a lack of supply of parking, which is often the observation (usually when someone is trying to find an on-street vehicle parking space downtown), but from a failure to manage what amounts to a valuable public resource in a way that makes sense for a compactly-built city such as ours. We strongly believe that better management of parking resources in Boston can have benefits for everyone – residents, businesses, property owners, drivers, and those who get around by other modes (walking, cycling, transit, etc.). Accordingly, we agree with our friends at LivableStreets Alliance that the following are policy initiatives that the city should study, engage our fellow citizens on, and seriously consider implementing as soon as possible:

- **Reduce or eliminate minimum parking requirements for new development** - This will help keep housing more affordable, reduce commercial rents, and reflect the true demand for parking. Where parking is required to be provided, we would advocate for de-coupling the parking provided from individual users. For example, in an apartment building, the residents of one unit could rent two spaces, while the residents of another unit might rent none.

- **Implement residential parking permits citywide** – To mitigate concerns about overflow impacts from residents not paying for on-site parking spaces turning to nearby on-street, free parking, we would advocate for neighborhood-based residential parking permits. We would further support implementing an approach that would prevent residents of new developments that have de-coupled or eliminated off-street parking from obtaining residential parking permits.

- **Price residential parking permits by demand for each neighborhood** – Currently, residential parking permits are free throughout the city. We believe the city should consider implementing a baseline user fee for the first one or two residential parking permits, with the possibility for increasing the user fee based on location (higher user fees in downtown areas where parking is at a premium) or number of permits obtained.

- **Consider charging for parking in commercial districts outside of downtown** – Most of Boston's neighborhood commercial districts, and certainly ours in Roslindale, have free parking, sometimes subject to generous (and rarely enforced) time limits like 2 hours. Charging for parking, even at relatively low rates such as a quarter per hour or every 30 minutes, would encourage a higher rate of turnover and increase the effective supply of available parking without having to build new spaces. While we recognize that different stakeholders will view such a conversation and possible policy differently, we urge that this be given consideration in an open and inclusive process in those districts where an interest is expressed. For the record, we would like to express our interest in working with the city on such an approach in our own neighborhood's main commercial district. As matters now stand, the Roslindale Village MBTA commuter rail lots, which charge a modest fee for daily parking, are virtually never full, and personal observation suggests many drivers park in on-street spots near those lots to avoid the fees. Similarly, even the free municipal lot (off of Taft Hill Terrace in the village) rarely if ever fills up during the day, even though the entire commercial district in Roslindale is within a five-minute walk of that lot. Furthermore, a 2010 Tufts Urban Environmental Policy Planning study of Roslindale Village, available online at http://www.roslindale.net/pdfs/TuftsFinalReport.pdf, found that managing parking supply in Roslindale (including by charging for spaces in the business district), would provide widespread benefits to both neighborhood residents and businesses.

- **Create more loading, drop-off, and pick-up zones in commercial districts, both downtown and in the neighborhoods** - Double parking is a citywide issue with delivery trucks and Uber/Lyft drivers occupying vehicle travel lanes, crosswalks, bike lanes, and even sidewalks. Repurposing a limited number of on-street parking spaces in this way could have tremendous upside benefits.

- **Institute alternating parking along busy bus corridors during peak hours to create part-time bus and bike lanes** – We think this approach could have incredible benefits right in our neighborhood – in the Washington Street corridor from Roslindale Square to Forest Hills. Bus ridership is substantial in this corridor and operations could be greatly improved by having a dedicated lane inbound in the morning and outbound in the afternoon.

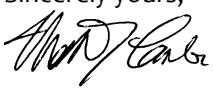
- **Return parking revenue from meters and residential permits to the neighborhoods in which they are collected** – We know that our neighbors and business and property owners in Roslindale would be intensely interested in where revenue generated from parking meters and permits was invested. We suspect this viewpoint would be shared throughout the city. We are sure each neighborhood could arrive at the appropriate mix of improvements to be funded through this new revenue source. We believe it would be particularly appropriate to invest locally-generated parking revenue in local improvements to active transportation infrastructure, thus creating a "virtuous circle" that will help move our city away from focusing on accommodating single-occupant vehicles on our streets, as we must to integrate the expected growth in population

over the coming decades and do our part, as a major coastal city, in mitigating the effects of climate change and sea level rise.

In closing, we believe it is critical that these sorts of solutions to the city's parking concerns be implemented in a broader context of integrated land use and transportation planning. Overemphasis on parking supply is just one manifestation of a lack of priority and funding for alternatives to driving. We recognize that all of us may need to drive at various times for a wide variety of reasons ranging from disability to profession to lack of viable alternatives, but there are many cases where we expect many more of us would enthusiastically commit to use a greater mix of public and active transportation were the city to provide adequate support to do so. If we make it easier for people to travel to, from, and around our city by alternative means, this will have a far greater positive impact on parking issues than any solution that focuses on parking in isolation.

Again, we thank you for the opportunity to comment on this important subject.

Sincerely yours,



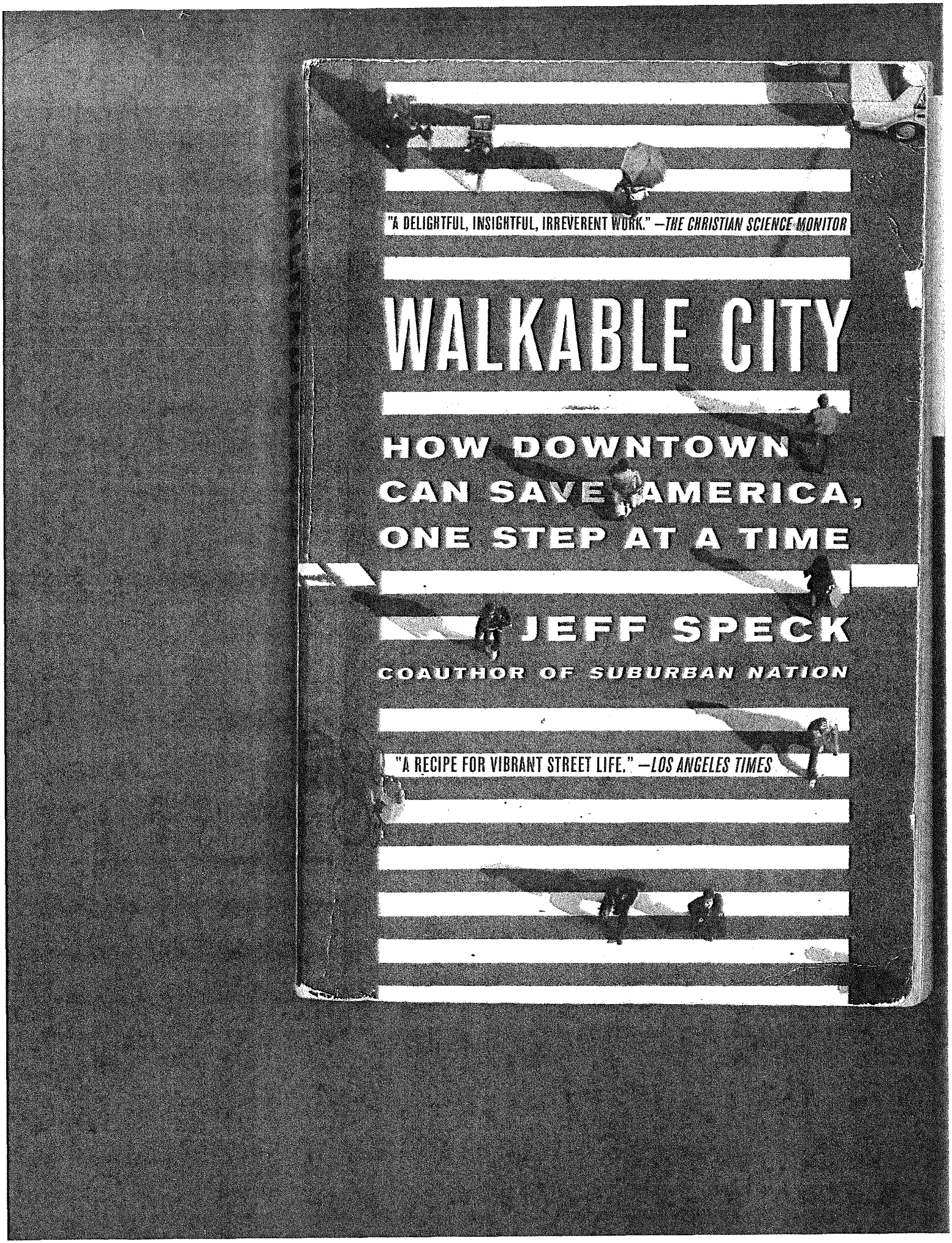
Matthew J. Lawlor
Resident @ 15 Basto Terrace, Roslindale,
on behalf of WalkUP Roslindale Steering Group, including

Ricardo Austrich, Resident @ 843 South Street, Roslindale
Steve Gag, Resident @ 631 South Street, Roslindale
Liz Graham-Meredith, Resident @ 6 Crandall Street, Roslindale
Rob Guptill, Resident @ 44 Birch Street, Roslindale
Sarah Kurpiel Lee, Resident @ 65 Cornell Street, Roslindale
Mandana Moshtaghi, Resident @ 12 Arborough Road, Roslindale
Rob Orthman, Resident @ 69 Walter Street, Roslindale
Rebecca Phillips, Resident @ 10 Tappan Street, Roslindale
Adam Rogoff, Resident @ 28 Ashfield Street, Roslindale
Adam Rosi-Kessel, Resident @ 36 Taft Hill Terrace, Roslindale
Rachele Rosi-Kessel, Resident @ 36 Taft Hill Terrace, Roslindale
Greg Tobin, Resident @ 1 Sheldon Street, Roslindale
Alan Wright, Resident @ 98 Birch Street, Roslindale

Addendum.

ADDENDUM

As part of *ImagineBoston 2030*, the ongoing citywide, once-in-a-generation planning effort, Mayor Walsh recently recommended a wide-ranging reading list of books to consider reading to prepare ourselves to contribute. Among those books is Jeff Speck's *Walkable City.* The chapter in that book that has perhaps generated the most discussion has been "Get the Parking Right" – a chapter in which Speck synthesizes and makes understandable a great wealth of data and research about vehicle parking and how cities and towns, including Boston, can better manage it to become more walkable, bikeable, and livable. We strongly encourage the committee's members to read the chapter and, with the author's permission, have attached a copy to this letter. Thank you again for your work on behalf of our city.


"A DELIGHTFUL, INSIGHTFUL, IRREVERENT WORK." —THE CHRISTIAN SCIENCE MONITOR
WALKABLE CITY
HOW DOWNTOWN CAN SAVE AMERICA, ONE STEP AT A TIME
JEFF SPECK
COAUTHOR OF SUBURBAN NATION
"A RECIPE FOR VIBRANT STREET LIFE." —LOS ANGELES TIMES

STEP 3: GET THE PARKING RIGHT

What parking costs and what it costs us; Induced demand redux; Addiction made law; The cost of required parking; Some smarter places; The problem with cheap curbside parking; The right price; A tale of two cities; What should we do with all this money?; A bargain at $1.2 billion

This chapter exists because of one man. He is in his mid-seventies, green-eyed, gray-bearded, and often pictured riding a bicycle. He holds four degrees from Yale in engineering and economics, and teaches at UCLA, where he was chair of the Department of Urban Planning and ran the Institute of Transportation Studies. His name is Donald Shoup and, inside an admittedly small circle, he is a rock star. He is alternately hailed as the "Jane Jacobs of parking policy" and the "prophet of parking." There is even a Facebook group called "The Shoupistas."[1]

Shoup has earned his exalted status by being perhaps the first person to really think about how parking works in cities. This effort has led him to some conclusions that have now been backed up with decades of evidence, and he is just beginning to get the attention he deserves. In the words of a former Ventura, California, mayor, Bill Fulton, "Don has been saying the exact same thing for 40 years, and finally the world is listening to him."[2] That doesn't mean that the world is yet doing what he says, but, with a little luck, that is about to change.

Parking covers more acres of urban America than any other one thing[3]—just look at an aerial photo of downtown Houston—

yet, until Shoup, nobody seems to have made any effort to figure it out; certainly not the planners, who happily institute and enforce outdated parking requirements nationwide like a barnyard of headless chickens. Shoup himself notes how the "bible" of city planning, F. Stuart Chapin's *Urban Land Use Planning*, doesn't even mention parking once.* We did better than that in *Suburban Nation*, but our focus was more on the *what* than the *why*, which Shoup has refined to the level of science.

What Shoup has discovered about parking—using both an economist's cold logic and the careful, sustained observation of reality—is that every city in America handles it wrong. Rather than parking working in the service of cities, cities have been working in the service of parking, almost entirely to their detriment. He has also determined, and demonstrated, that this problem can be fixed fairly easily and with great rewards for all involved. And he is just beginning to see his ideas bear fruit in places like San Francisco, which we will discuss below.

WHAT PARKING COSTS AND WHAT IT COSTS US

The first step to understanding how parking works is to get a grasp of how much it costs and who pays for it. Because it is so plentiful and often free to use, it is easy to imagine that it costs very little. But this is not the case. The cheapest urban parking space in America, an 8½-by-18-foot piece of asphalt on relatively worthless land, costs about four thousand dollars to create—and not much urban land is worthless. The most expensive parking space, in an underground parking garage, can cost forty thousand dollars or more to build. Parking spaces under Seattle's Pacific Place Shopping Center, built by the city, cost over sixty thousand dollars each.* In between those extremes is the standard aboveground urban parking structure, which can usually be built for between twenty and thirty thousand dollars per space.

Given the size of most parking lots, these numbers add up quickly. The twelve-hundred-space Pacific Place garage cost $73 million. Shoup calculates that "the cost of all parking spaces in the U.S. exceeds the value of all cars and may even exceed the value of all roads."[4] There are also the ongoing costs of taxes, management, and maintenance. If the journal *Parking Professional* is to be believed, more than a million Americans make their living in some aspect of the "parking profession."[5] These people have to be paid. Somewhat conservatively, and based on the study of hundreds of parking lots, Shoup estimates the monthly cost of a structured parking space to be at least $125 per month,[6] or roughly $4 per day.

This amount seems reasonable, and actually quite easy to pay for. Presuming a conservative 50 percent occupancy from nine to five, that's only a dollar per hour. So, do most parking structures cover their costs? Far from it. One study of parking garages in the Mid-Atlantic region determined that annual operating revenue per space ranged between 26 and 36 percent of annual cost.[7]

I found a similar circumstance in Lowell, where I was told that the revenue from the city's six public garages was paying all the debt service on those garages. Digging a bit deeper, I learned that five of those garages, from the eighties, had already paid off their bonds—with considerable taxpayer help. So, in

*Donald Shoup, *The High Cost of Free Parking*, 25. Shoup's book is 751 pages long and weighs three and a quarter pounds, but after we are done, you will want to read it. Not everything in this chapter is from that book, but so much of it comes from there that I am happy if its author gets credit for the whole chapter.

*Shoup, *The High Cost of Free Parking*, 190. Shoup notes that the world record holders are in Japan, with one underground structure in Kawasaki costing $414,000 per space. The entire garage cost over $157 million.

actuality, the revenue from all six of the city's garages was covering only the debt service on the city's one new garage.

This circumstance exists all over the United States, principally because cities and other sponsors keep parking prices artificially low. Because there are so many parking spaces, this cumulative subsidy was calculated a decade ago at between $127 billion and $374 billion a year,[8] which puts it in the range of our national defense budget. This number seems preposterous, until you consider that the typical parking space in the United States is not in a pay-to-park garage at all, but alongside a condo cluster, inside an office park, or in front of a Walmart, where admission is free.

If parking is "free" or underpriced in so much of the United States, who is actually paying for it? The answer is: we all are, whether we use it or not. Shoup puts it this way:

> Initially, the developer pays for the required parking, but soon the tenants do, and then their customers, and so on, until the price of parking has diffused everywhere in the economy. When we shop in a store, eat in a restaurant, or see a movie, we pay for parking indirectly, because its cost is included in the price of merchandise, meals, and theater tickets. We unknowingly support our cars with almost every commercial transaction we make, because a small share of the money changing hands pays for parking.[9]

The ramifications of this situation are disturbing. Nobody can opt out of paying for parking. People who walk, bike, or take transit are bankrolling those who drive. In so doing, they are making driving cheaper and thus more prevalent, which in turn undermines the quality of walking, biking, and transit.

INDUCED DEMAND REDUX

Is this beginning to sound familiar? Like roadways in general, all this free and underpriced parking contributes to a circumstance in which a massive segment of our national economy has been disconnected from the free market, such that individuals are no longer able to act rationally. Or, more accurately, in acting rationally, individuals are acting against their own self-interest.

All in all, Shoup calculates that the subsidy for employer-paid parking amounts to twenty-two cents per mile driven to work, and thus reduces the price of automotive commuting by a remarkable 71 percent. Eliminating this subsidy would have the same impact as an additional gasoline tax of between $1.27 and $3.74 a gallon.[10] That is a price hike that would change many people's driving habits.

This subsidy could perhaps be justified if it produced some greater good for society, but it only produces one benefit: cheaper parking. How does it perform in terms of other important measures? Well, it worsens air and water quality, speeds global warming, increases energy consumption, raises the cost of housing, decreases public revenue, undermines public transportation, increases traffic congestion, damages the quality of the public realm, escalates suburban sprawl, threatens historic buildings, weakens social capital, and worsens public health, to name a few things.* And you wanted free parking why?

ADDICTION MADE LAW

But businesses should be allowed to provide parking to lure customers, you might protest. Fair enough. But in America, such parking is not just allowed; it's required. Some cities, like Monterey

*Shoup, 585. All these criteria except the final three are listed by Shoup.

Park, California, not only require on-site parking, but insist that it be provided to visitors free of charge.[11]

These requirements are powerfully disruptive to the way cities function. A true master of the long-form analogy, Shoup describes the situation this way:

> If cities required restaurants to offer a free dessert with each dinner, the price of every dinner would soon increase to include the cost of dessert. To ensure that restaurants didn't skimp on the size of the required desserts, cities would have to set precise "minimum calorie requirements." Some diners would pay for desserts they didn't eat, and others would eat sugary desserts they wouldn't have ordered had they paid for them separately. The consequences would undoubtedly include an epidemic of obesity, diabetes, and heart disease. A few food-conscious cities like New York and San Francisco might prohibit free desserts, but most cities would continue to require them. Many people would get angry at even the thought of paying for the desserts they had eaten free for so long.[12]

Look at any city, suburban, or rural zoning code, and you will see page after page of rules about parking. Of the six hundred or so land uses that we planners have managed to identify, each has its own minimum parking requirement.[13] Shoup documents how these requirements have often been generated from a bare minimum of data and can bear little resemblance to reality.[14] A gas station requires 1.5 spaces per nozzle. A bowling alley requires 1 space per employee, plus 5 spaces per lane. A swimming pool requires 1 space per twenty-five hundred gallons of water.* These

*Shoup, 80. I am particularly enamored of this requirement, which apparently supposes that a ten-foot-deep pool holds twice as many swimmers as a five-foot-deep pool, presumably stacked in two layers like a deluxe assortment of chocolates.

requirements are then passed from city to city and town to town,[15] almost always resulting in the same outcome: too much parking.

How much? In 2010, the first nationwide count determined that there are half a billion empty parking spaces in America at any given time.[16] More to our purposes, a 2002 survey of Seattle's Central Business District found that, during times of peak demand, almost four out of ten parking spaces were empty.[17] This condition of oversupply occurs most often in central cities, and is typically the result of downtowns importing zoning standards from the suburbs, where no alternatives to driving exist.

Even Washington, D.C., suffers from this phenomenon. When my wife and I built our house in the District, we were required to provide an on-site parking space, even though we didn't own a car, our property was three blocks from a subway stop, and none of our neighbors had one; ample parking was available on the street. Ironically, parking on our lot would have required removing an on-street parking space—replacing a public good with a private one—trashing a granite curb, and violating a public sidewalk with our driveway. Not owning a car, I designed a carless house, and threw our fate to the Board of Zoning Appeals. Eventually, reason prevailed, but it took nine months and a public battle that was written up in *USA Today*.[18] I think it is accurate to say that almost no other designer would have bothered. Four years later, the code has yet to be fixed.

Whenever I feel like complaining about our own Washington parking struggle, I remind myself of the story of DC USA. In the mid-2000s, construction began on what was to become the District's largest retail complex, a $145 million, 500,000-square-foot colossus anchored by Target, Best Buy, and Bed Bath & Beyond. Because the development was located at a Metro stop in the heart of Columbia Heights, with thirty-six thousand residents within a ten-minute walk,[19] the city generously modified its parking requirements. Rather than insisting on its obligatory four spaces per one thousand square feet—a truly suburban standard—the

District allowed the number to be cut in half.[20] Despite the designers' predictions that this was still way too much parking, the project went ahead with a $40 million, taxpayer-funded underground garage holding one thousand cars.

Fast-forward to 2008: DC USA has become a resounding success, having brought new life to a struggling neighborhood, thanks in part to its pedestrian-oriented design. Shops are doing even more business than expected. And the parking garage is empty—so empty that its managers routinely shut off one of its two levels completely, an unvisited $20 million underground air museum. From February through July, average peak use never rises above three hundred cars, and at no time does occupancy top 47 percent.[21]

This was an expensive lesson, a $100,000/month *I told you so* for the District and its taxpayers—now in its fifth year—as parking revenues fail to cover debt service on the garage. It was just the kick in the pants the city needed to finally rewrite its fifty-year-old regulations to eliminate parking minimums for new shops, offices, and apartments near Metro stations.[22] They have decided to leave commercial parking provision to the free market, as Donald Shoup recommends.

Even smaller suburban cities are beginning to find that their parking requirements are routinely too high. A useful experiment was conducted in progressive Palo Alto, California. Real estate developers were allowed to cheat on their parking requirements by as much as 50 percent if the land area saved was turned into a natural "landscape reserve" that could be converted to parking if the need arose. Not one such reserve has yet to make that conversion.[23]

THE COST OF REQUIRED PARKING

Even in cities with high residential densities and great transit systems, ample parking encourages driving that would not occur without it. As Shoup likes to say, "Off-street parking requirements are a fertility drug for cars."[24] We have already discussed most of driving's attendant woes, from global warming to obesity, but it would be useful here to focus briefly on some of the specific social and personal costs inflicted by the on-site parking requirement in particular.

In *Suburban Nation*, we coined the term "Pensacola Parking Syndrome" to describe the fate of so many historic cities that had eventually managed to satisfy their parking demand. They achieved this condition by replacing beautiful old buildings with ugly parking lots—in such number that nobody wanted to go downtown anymore.[25]

Certainly, the destruction of architectural masterpieces is one of the most obvious and upsetting manifestations of modern parking pressures. In Detroit, a parking garage even sits beneath the rococo vaults of the reamed-out 1926 Michigan Theatre—built, ironically, on the site where Henry Ford invented his automobile. In Buffalo, where 50 percent of the historic city center has become parking lots, one commenter wryly observed, "if our master plan is to demolish all of downtown, then we're only halfway there."[26]

These days, however, with preservationists wielding greater power, the harm perpetrated by parking demands is often more subtle, taking the form not of destruction, but of obstruction: things failing to happen. Most empty urban buildings—historic or otherwise—sit on properties of limited size, with limited opportunities for increasing their parking supply. Yet many changes in use bring with them an uptick in the parking requirement. Shoup notes how replacing a defunct furniture store with a new bicycle shop would typically require tripling the size of the parking lot.* Where are those spaces supposed to come from?

*Shoup, 153. Shoup also tells the story of an entrepreneur in South Berkeley who wanted to replace a failed guitar shop with a restaurant, but was defeated by a twelve-space increase in the parking requirement.

The result, of course, is that nothing gets done and old buildings stay empty. Similarly, a thriving restaurant that wants to add sidewalk dining—something every city now says it wants—can't do so without increasing its parking supply, often an impossibility.[27] The only path to providing more parking in urban areas is typically to replace surface parking lots with multistory decks, at tremendous cost. That money is increasingly difficult to come by.

This parking-induced commercial stasis is only half the story. The other half is the great burden that parking minimums place on affordability, especially for housing, and most especially in those communities that most need it. Developers in San Francisco estimate that the city's one-space-per-unit requirement adds 20 percent to the cost of affordable housing. Shoup calculates that eliminating this requirement would allow 24 percent more San Franciscans to buy homes. Even the city's chief comprehensive planner, Amit Ghosh, admits that "we're forcing people to build parking that people cannot afford."[28]

Similarly, a study in Oakland found that requiring one parking space per home "increased housing costs by 18 percent and reduced density by 30 percent."[29] Back in Palo Alto, Alma Place, a nonprofit 107-unit single-room occupancy hotel, was granted a reduced parking requirement of 0.67 spaces per unit. It was later determined that this scant requirement still increased construction costs by a whopping 38 percent.[30]

The larger question is why the future residents of Alma Place—Walk Score 95, for God's sake—should need parking at all. Does a household located three blocks from a train station in one of America's most walkable and employment-loaded communities need to own a car? Did I mention that the train station is flanked by more than three hundred commuter parking spaces that all sit empty overnight?[31]

The answer is not that future residents would come with cars, but that current residents were worried about spillover parking on their streets. Even more troubling was the city's refusal to allow the developer to charge for parking. The housing corporation was prohibited from charging a parking fee of one hundred dollars per month, which would have reduced nondrivers' rents by about 10 percent.* So, even among the city's poorest citizens, the pedestrians are subsidizing the drivers. So much for "progressive" Palo Alto.

But before we beat that city up too badly, let's turn our accusing gaze back to the Green Metropolis itself, where the New York City Housing Authority still maintains parking minimums for its publicly assisted housing stock. These minimums have caused the city to abandon plans to add much-needed street-edge buildings to several of its 1960s "tower in the park" projects. Currently, one such project, in Brownsville, Brooklyn, hangs in the balance. It would replace surface parking lots with housing, shops, schools, and gardens, but it is being held up by parking minimums—despite being directly adjacent to two stops of the 2, 3, 4, and 5 subway lines straight to Manhattan. The chairman of the housing authority admits sheepishly that "certain zoning rules may need to be reconsidered."[32]

SOME SMARTER PLACES

If you've been to the former artists' colony of Carmel-by-the-Sea, California, you've probably enjoyed strolling its picturesque main street, Ocean Avenue. This would have been due not to the smooth quality of the pavement—spike heels require a city permit, thanks to a spate of trip-and-fall lawsuits in the twenties[33]—but rather to all its other positive pedestrian qualities, including an absence of visible parking lots.

Ocean Avenue is free of off-street parking because it is

*Shoup, *The High Cost of Free Parking*, 150. Rent reduction was predicted at fifty dollars, with initial average rents in the five-hundred-dollar range.

illegal. Instead of providing parking lots for their customers and employees, businesses pay in-lieu fees that help finance shared city parking spaces located a few blocks away. This strategy has helped to create a unique collection of midblock courtyards and walkways, as well as ensuring a maximum amount of sidewalk activity, since nobody arrives at their destination from the rear. Carmel is now one of dozens of American cities that handle downtown parking this way, including Orlando, Chapel Hill, and Lake Forest, Illinois. In-lieu fees in these cities typically range from about seven to ten thousand dollars per space not provided, which is roughly in line with the cost of building a space in an asphalt surface lot. In Beverly Hills, where land is more valuable and most parking is structured, developers pay over $20,000 per space. In the more lefty Carmel, it's $27,520.[34]

What's most interesting—and perhaps a bit frustrating—about this solution is that it does not address the parking supply directly. Every one of these cities still has a downtown parking requirement, some quite high.[35] But instead of providing parking, businesses are only required to pay for it, which allows the parking to be located in the right place and, importantly, shared. When parking is no longer the exclusive property of an individual business, it becomes much more efficient. A space that serves an office during the day can serve a restaurant in the evening and a resident overnight. So, by simultaneously setting parking minimums and outlawing private parking lots, cities are able to indirectly reduce the amount of parking that has to be provided. Eventually, as real life determines the number of shared spaces that are actually needed, a city can adjust its in-lieu fees downward. Or it can keep them steady and pocket the difference.

For large employers, California has pioneered a second powerful strategy for managing parking, called "parking cash-out." The California Health and Safety Code requires many businesses that offer free employee parking to give their workers the option of trading that parking space for its cash equivalent. This

is an ingenious law, because it is all carrot and no stick. Cities are required to reduce each business's parking requirement by the number of employees who cash out, thus placing no greater burden on the employer, while providing a great incentive for alternative transportation. On average, businesses that offered the cash-out option saw their number of driving commuters drop by 11 percent. In downtown Los Angeles, one employer saw its parking demand drop by 24 percent.[36]

These two strategies, in-lieu payments and parking cash-out, are a great start at decoupling the cost of parking from all the other activities in which it has become imbedded—that is, hidden—so that parking demand can once again behave according to the principles of the free market. This concept of decoupling makes so much sense that one would expect it to have become commonplace. Instead, it is rare, because residents of places like Palo Alto fear that costly off-street parking will cause bargain seekers to overwhelm their precious curbside parking. And they are correct in this fear, because most cities lack a comprehensive parking policy that deals with off-street and on-street parking together. Until this mandate is met, in-lieu payments and parking cash-out can serve as good transitional strategies toward a more ambitious goal, which is the elimination of off-street parking requirements entirely.

Abolishing the off-street parking requirement is one of the three cornerstones of Shoup's theory, because it would allow the market to determine how much parking is needed. He notes that "removing off-street parking requirements will not eliminate off-street parking, but will instead stimulate an active commercial market for it."[37] This would bring U.S. policy more in line with that of Western Europe. Shoup describes the situation as follows:

> American cities put a floor under the parking supply to satisfy the peak demand for free parking, and then cap development density to limit vehicle trips. European cities,

> in contrast, often cap the number of parking spaces to avoid congesting the roads and combine this strategy with a floor on allowed development density to encourage walking, cycling, and public transport. That is, Americans require parking and limit density, while Europeans require density and limit parking.[38]

Such a concept seems unlikely to win many followers on this side of the pond, but it is exactly what the free market creates all by itself in America's most walkable communities. In Manhattan, developers do not feel any need to provide parking for their apartments, stores, and offices, so the outcome is more Düsseldorf than Dallas. That outcome would be unimaginable with a parking requirement in place. Eliminating parking minimums simply allows developers to give their customers what they want. But, as we will discuss ahead, it is only politically viable when combined with a safety net that protects current residents' status quo.

THE PROBLEM WITH CHEAP CURBSIDE PARKING

Cheap and plentiful off-street parking is only half the problem. The other half is what happens on the streets, and here even New York City gets it dead wrong. Because if curbside parking is not priced properly, the resulting perversity of the overall parking regime creates vast inefficiencies that are costly for drivers and nondrivers alike.

Let's take Manhattan. Off-street parking is roughly $15 for the first hour in most locations, while curbside parking costs just $3. Is it any wonder that the city's streets are choked with double-parked cars and people hunting for parking? Underpriced curb parking is no fairer than giving random discounts on other municipal services like water or electricity based upon who circles the block the longest, and just as counterproductive.

A study of six different urban sites found that roughly a third of all traffic congestion was made up of people trying to find a parking spot. In one Los Angeles neighborhood, Westwood Village, it was twice that amount—and between 1:00 and 2:00 p.m., an astounding 96 percent of cars on the road were circling for parking.[39]

Some version of this condition exists in most American cities. In downtown Chicago, curbside parking costs one-thirteenth as much as off-street parking.[40] The outcome of this market inefficiency is not just congestion and all its attendant woes—pollution, time wasted, slow emergency response—but also reduced revenue to area businesses. This counterintuitive fact can be surprising to the businesses themselves, who routinely fight bitterly against any effort to raise meter rates. These merchants forget the origin of the parking meter, in Oklahoma City, as a tool to improve business revenue. Shoup quotes an *American City* reporter from 1937:

> Merchants and shoppers are both in favor of them. When one side of the street has them, merchants on the other side demand them. When one town has them, the merchants of nearby towns demand them, showing that they draw out-of-town shoppers rather than driving them away.[41]

Why were these first meters so popular? Because they reduced overcrowding and hassle, but also because they increased turnover, ensuring more customers per hour. The result was more sales and dramatically higher downtown property values.[42] The same calculus holds true today, as underpriced curbside parking scares away potential customers who believe that there is no place to park, even as nearby parking lots sit half empty. As Shoup notes, "If it takes only five minutes to drive somewhere else, why spend fifteen cruising for parking?"[43]

I encountered just this condition in Lowell, where on-street parking became free at 6:00 p.m., while parking structures still charged admission. The result was that residents coming home from work would rush into the parking spaces on restaurant row, leaving no room for the dinner crowd.

THE RIGHT PRICE

Which leads us to Shoup's second key recommendation, that on-street parking be priced at a level that results in an 85 percent occupancy rate at all times.[44] This number may seem a bit low, but it corresponds with roughly one empty space per block face, just the right amount to ensure Daddy Warbucks a spot near the furrier. Because it is precisely the shoppers with dollars to spare who have the most to offer your Main Street merchants.

In its most sophisticated form, this approach means true variable congestion pricing, which we will discuss in a minute. But for many cities, a perfectly adequate outcome can be achieved simply by raising meter rates a notch, especially if they are currently set at zero. This was the case in both Aspen in the nineties and, more recently, Ventura, California.

Shoup reports on how, by 1990, Aspen's downtown merchants were suffering from overcrowded curbside parking. The city responded by building an expensive parking garage, but that structure sat half empty as the parking crush continued. Finally, the city proposed charging one dollar per hour on-street, and all hell broke loose.[45]

Opponents, mostly local employees, mounted a noisy "Honk if You Hate Paid Parking" campaign. This was quickly met by a rogue "Honk if You Love Dirty Air" campaign, in reference to all the cruising and double parking that had become the norm. Paid parking eventually prevailed and the new rates took effect in 1995. Almost immediately, the opponents realized that they

had been wrong. Now the municipal parking structure is well used, the on-street parking and cruising are under control, the businesses are thriving, and the city receives over half a million dollars a year in new parking revenue, most of it from tourists.[46]

In Ventura, Shoupista Mayor Bill Fulton introduced on-street parking rates of one dollar per hour, aiming toward 85 percent occupancy.[47] In addition to being mayor, Fulton is a city planner, and his blog is worth following. On the momentous morning of September 14, 2010, he posted that "only 30 minutes after we instituted the parking management program, it is working." The employee vehicles that had previously crowded the curbs were happily stowed away in nearby lots.[48] Fulton went on to add:

> Some shoppers have complained over the past few months that parking at the mall is free, so why should they pay to park downtown? The answer . . . is that you're paying for access to a few hundred premium spaces. . . . After all, all the mall parking spaces are far away from the stores—farther than even the most remote free lot downtown. If it was possible to drive right inside the mall and park in front of your favorite store, don't you think the mall would charge for that space? And don't you think some people who think it's worth it would pay the price?[49]

The city plans to adjust rates as necessary: if parking use falls below 80 percent, the prices will be lowered until occupancy hits the exalted 85.[50] It's important to stress that the math works both ways. In Davenport, Iowa, the combination of free parking lots and curbside meters caused a ghost-town effect: nobody parked at the curb, the place felt dead, and drivers sped recklessly along empty streets. Our planning team convinced the city to reprice the on-street parking at zero, a regime that will remain in effect until scarcity sets in. That change immediately improved activity downtown. It also made us some friends, but perhaps for

the wrong reasons. Unfortunately, we were unable to stop the mayor from decapitating a meter with the Jaws of Life, which may have sent the misleading message of *free parking forever.*

Neither Aspen, Ventura, nor Davenport has been fully studied, but the great investigation on right-priced curb parking occurred in central London in 1965. It was found that a fourfold increase in parking price shortened the average park-and-visit time by 66 percent, vastly increasing turnover for merchants. The average time spent searching for parking dropped from 6.1 minutes per trip to a mere 62 seconds.[51]

For a twenty-first-century version, we turn to San Francisco, which, thanks to Shoup, has recently introduced a true congestion-pricing regime. For seven thousand spaces in eight key neighborhoods—25 percent of the city's metered parking—prices are being adjusted block by block and hour by hour to achieve a goal of 80 percent maximum occupancy.* This means rates ranging from as little as twenty-five cents to as much as six dollars per hour. The system also includes the fourteen city-owned garages in the pilot area, as it must, since their pricing needs to be coordinated if drivers are to make wise choices. As you might expect, this being San Francisco, the project is fully supported by online real-time data, including a smartphone app that tells you how many spaces are available on any given street, and how much they cost.[52] The sfpark.org website is really quite a marvel.

Such a parking system, which includes thousands of newly embedded car sensors, does not come cheap. It was supported largely by a $20 million U.S. Department of Transportation grant[53]—one wonders what it would have cost without federal funding—and we will soon know how well it works. If it performs anywhere near as well as expected, it will earn back its huge

*The current SFPark on-street pricing policy (as of April 11, 2011) causes prices to rise or fall whenever occupancy rises above 80 percent or below 60 percent. Why these numbers are below Shoup's 85 percent is not explained.

price tag in short order, through increased meter receipts. This income is not the goal of the exercise, but it's nice to know it's there. Indeed, it is only because these systems pay for themselves that we can expect them to catch on.

If there are no surprises in San Francisco, full-fledged congestion-priced parking is something that many cities will want to try. But, given its novelty and significant start-up cost, smaller cities may elect not to spend millions chasing perfection, when *good enough* is close at hand. A simple repricing of downtown spaces and parking lots may solve 90 percent of most cities' parking problems. That said, since the start-up costs are easily bondable and the potential income so great, opting out of a full-fledged congestion-pricing regime could turn out to be a pound-foolish choice.

A TALE OF TWO CITIES

As if we weren't convinced, Shoup has a final morality lesson to teach, and that is the story of the two Southern California shopping districts of Old Pasadena and Westwood Village. In the late eighties, these two downtowns were fairly similar. They were roughly the same size, both were in historic sections of larger cities (Pasadena and Los Angeles), and both had the standard collection of review boards and business-improvement districts. Both had limited on-street parking and ample off-street parking. Both were challenged economically, but by no means in trouble. If anything, Westwood Village was in better shape, as it was surrounded by both a higher density of housing and a wealthier customer base. In fact, Shoup describes how residents of Pasadena used to drive twenty minutes in order to shop in Westwood Village.[54]

Then, in the early nineties, the two districts went in dramatically different directions. While both were struggling with overcrowded on-street parking, only Old Pasadena raised its parking

rates, installing 690 new meters. While both maintained a conventional off-street parking requirement, only Old Pasadena allowed in-lieu fees, so that developers could pay cash in support of municipal lots rather than build additional parking themselves.[55]

What happened over the next decade was as shocking in reality as it was predictable in theory. Old Pasadena staged a brilliant revival, while Westwood Village entered a steady economic decline that continues to this day. Now residents of Westwood drive to Old Pasadena to shop. Westwood's curbs are crumbling, while the sidewalks of Old Pasadena boast new tree grates, fancy lighting, and street furniture. Not only does each parking meter in Pasadena generate an average of $1,712 in annual revenue for the city, but sales tax receipts are way up. Indeed, the city's sales-tax revenue tripled in the first six years after the meters were installed.[56]

While it is always easy to park in Old Pasadena, the average shopper in Westwood Village circles for 8.3 minutes before either finding a spot or giving up. Shoup delights in telling us how Westwood cruisers cumulatively log a total of 426 vehicle hours per day, covering more distance than a trip across the United States. Over a year, this adds up to thirty-eight trips around the globe.[57]

In the interest of telling the whole story, it is worth spending another minute describing exactly how boneheaded Westwood Village was. Faced with the perception that a parking shortage was to blame for their economic woes, community leaders responded by cutting the price of on-street parking in half. ("Adam Smith, please call your office!") Meanwhile, the city continued to enforce its draconian off-street "replacement parking" requirement, which effectively made redevelopment impossible. Even though the village's vast supply of asphalt parking lots typically held 1,250 unused spaces at peak hour, any developers who wanted to build on these lots were required to both meet their parking quota and replace half of the removed spaces.[58] This

rule, still in force, effectively amounts to a requirement for expensive parking decks where there is already an oversupply of off-street parking.

Westwood's ineptitude calls attention to the fact that parking decisions are never made in a vacuum and political pressures from an uninformed public can often sway the outcome. Indeed, in Old Pasadena, things almost went the other way. When the city first proposed installing meters, it was fought vehemently by downtown merchants, who were convinced that they would lose all their business to the mall. This battle dragged on for two years before a compromise was reached.[59] Interestingly, it was this compromise that gave the new parking regime what may be its most powerful feature.

WHAT SHOULD WE DO WITH ALL THIS MONEY?

The final bone that the city threw to its reluctant merchants was this: all the net revenue from the parking meters would pay for physical improvements and new public services in Old Pasadena. And why not? This was free money, over a million dollars a year, and it was easy to identify where it was coming from. It wasn't like anybody else deserved it.

This creative leap leads us to Shoup's third cornerstone, the institution of "parking benefit districts" that put meter revenues to work locally.[60] In addition to improving sidewalks, trees, lighting, and street furniture, these districts can bury overhead wires, renovate storefronts, hire public service officers, and of course keep everything spic-and-span. They can also construct the public parking lots a block away that serve employees and shopper overflow. In Pasadena, meter revenues even paid for converting a collection of run-down rear alleys into an intricate network of pedestrian spaces.[61]

Since most of the parkers are from out of town and pricing is

based on what they are willing to pay, there are few losers in this bargain, as long as employees can find parking within a reasonable walking distance. As Shoup puts it, "If nonresidents pay for curb parking, and the city spends its money to benefit the residents, charging for curb parking can become a popular policy rather than the political third rail it often is today."[62]

This is true enough for retail areas, but what about principally residential streets that have become overcrowded? What about the residents of Palo Alto who, fearing competition for on-street spaces, fought against reduced off-street parking requirements? The third rail that threatens to kill Shoup's two main proposals is not about where the money goes, but about the fact that it is just so hard to take away anybody's free anything. This is the reason that on-street parking remains free of charge in much of New York City, of all places.

Shoup is not ignorant of this fact, quoting George Costanza's famous rant: "My father didn't pay for parking, my mother, my brother, nobody. It's like going to a prostitute. Why should I pay when, if I apply myself, maybe I can get it for free."[63] It is one thing to put parking meters in front of a bunch of stores and quite another to put them on a street of houses. That is why, where theory meets reality, we may need to bend the rules a little, by using residential parking permits. These, too, can be priced at market value for maximum efficiency, but they must sometimes be deployed at a low cost to win over residents who stand in the way of a larger public benefit, like keeping affordable housing affordable. And, you didn't hear it from me, but once residents get used to the idea of paying for a coveted parking pass—even just a "processing fee" of twenty bucks a year—you would be surprised how quickly they are willing to pay considerably more.

Not having been involved in the Palo Alto fiasco, I am reluctant to suggest that there was an easy solution, but it is likely that a properly managed parking pass proposal might have turned the tide. What was certainly missing, among all the parking

policy, was a parking plan, and such a comprehensive plan is ultimately what every "over-parked" place in America needs. This plan must include on-street pricing, off-street pricing, in-lieu payments supporting a collective supply, parking benefit districts, and residential permits where needed. Above all, it must be managed comprehensively with an eye toward community success, not just meter revenue. Parking is a public good, and it must be managed for the public good. Such management takes full advantage of the free market but—this is important—it is not the free market.[64] The single largest land use in every American city is very much that city's business.

A BARGAIN AT $1.2 BILLION

So, if parking is a public good, why did Mayor Richard M. Daley sell it off? This is a question many of us asked when the otherwise heroic Daley presided over the lease of Chicago's thirty-six thousand meters to Morgan Stanley for the next seventy-five years. The answer probably lies in the date—December 2008, the depths of the city's financial crisis—and the price tag—$1,200,000,000.[65]

This $1.2 billion tells us a number of things. One of them is that $20 million for a congestion-pricing regime in San Francisco is chump change. Another is that there is obviously a lot of money in privately managed parking, and, that as Chicago goes, so may go the nation. As of this writing, New Haven is one of several cash-strapped cities working toward a deal. Many have already privatized their public garages.

Unsurprisingly, Chicago's sale brought with it a dramatic hike in on-street parking rates. Neighborhood spots previously available at 25 cents an hour are on their way up to $2.00. Prices inside the Loop, already high, will more than double, to $6.50 an hour.[66]

In the short term, this strategy could perhaps be described as the wrong path to the right result. Greedy investors are pulling off what the city couldn't do, which is to bring the price of curbside parking in line with its value. As demand falls closer to supply, Shoup's 85 percent ideal may be achieved. But who's to say it will stop there? As any purveyor of private parking lots will tell you, an 85 percent–occupied lot at ten dollars a pop is less profitable than a half-empty lot at twenty dollars—and few parking-lot owners have a citywide monopoly. Morgan Stanley maximizing its return on the street does not necessarily bear any relationship to the city getting the most out of its parking in terms of all the other things that parking affects, including drivers' speed, retail profitability, and property values.

That's the scary part. The more practical frustration brought on by the Chicago sale concerns our larger discussion about neighborhood parking as a comprehensive system. Communities can only be their best if on-street parking, off-street parking, parking permits, and parking regulations are all managed collectively. In the past, this has hardly ever happened, but things are beginning to change. Places like Old Pasadena are showing us that well-managed parking is both possible and profitable. The Shoupistas are ready for their day in the sun. It would be a pity if, on the cusp of this parking revolution, cities were to sell away to the highest bidder their ability to make use of this powerful tool.