

Washington, D.C. Zoning Commission
 14 November 2013

When I lived in Chicago almost ten years ago, I chaired the Zoning for Transportation Equity Coalition, which sought to keep the city from baking a substantial increase in parking ratios into its otherwise sensitive and laudable new zoning ordinance. We enlisted several affordable-housing and environmental groups, but were not able to get market-rate developers, anxious about crossing the administration, to support us on the record. Ultimately, we succeeded in nudging the ratios down somewhat, and created such a ruckus that I think we distracted them from noticing bigger cuts in the ratios applied to downtown zones.

I am here to assure you that since then, downtown Chicago has thrived -- its population has grown by 50,000, faster than any other central city in America, sales tax receipts and payrolls have both grown 50% faster than the region, and best yet, no parking riots have ensued. And here in the District, we have a more robust transportation system than Chicago: a larger rapid transit system, more walking and cycling commuters, fewer people driving to work. Furthermore, our trend lines sharply favor transportation alternatives: from 2000-2011, 1/7 of D.C. commuters switched away from cars.

For the politicians who were in charge of Chicago's zoning rewrite process, increasing parking ratios was a no-lose proposition -- an example of a free-lunch, "tax foreigners living abroad" strategy with zero present cost and only nebulous future costs. Because zoning requirements only apply to newly constructed buildings -- zoning review is applied when a building permit is pulled -- zoning requirements are a "newcomer tax," levied only on speculative new construction that might or might not happen. Politicians can act like they're "doing something" when, in fact, nothing has improved.

Similarly, advocates of parking requirements completely confuse today's phantom "parking problem" and the zoning process. Barring wholesale reconstruction of the city, there's no way that zoning requirements will appreciably change the parking situation today, or even in the near term. Most of today's buildings provide parking -- literally several tens of thousands of garage spaces exist downtown -- and will continue to.

Even at subsidized prices, though, demand for that parking just is not high enough to fill the available spaces. Drivers' inability to find free parking spaces outside their offices is no more deserving of a public policy response than my inability to find a free cappuccino waiting outside my office. In Chicago, one high-rise apartment developer told me that 70% of the spaces he built under the old parking requirement went unused, and the supermarket manager downstairs told me that the costly underground garage his bosses had insisted upon went empty. At newer and higher-end towers that are much further from transit (in Lakeshore East), 60% of residents forego parking spaces.

In downtown D.C., a Colliers market survey of downtown parking garages, which collectively can house several tens of thousands of cars, finds that 90% have spaces available to rent, and that garages are 20-40% empty during the day -- similar to downtown Atlanta. Unreserved garage spaces downtown rent for the equivalent of \$17.28/sq. ft./year, in a city where office and retail rents for well above \$50, residential rents above \$30, and even basement storage spaces rent for \$24. The market rate for off-street parking in my downtown-adjacent neighborhood is less than half as high as in downtown, but spaces are still widely available. This pattern is consistent with the scientific literature; Bowman Cutter and Sofia Franco wrote in the July 2012 issue of the journal "Transportation Economics" that even in Los Angeles, land dedicated to on-site parking is valued significantly below the remainder of parcels.

There simply is not demand for parking that pays its own way. Thus, a parking minimum demands that the rest of us subsidize one economically infeasible land use above all others. Furthermore, a

minimum demands that parking be provided, at especially high cost, within each building downtown -- raising the already high cost of construction downtown, discouraging development in the most economically productive part of our region, and hurting property values in the area which pays most of the District's taxes.

Nor will the sky fall if parking minimums go away; new buildings will still have as much parking as is necessary. A few months ago, I was at a panel where a representative from one of DC's largest developers said that the major transit-oriented development they had under construction "was over-parked" relative to its zoning, because "parking is extremely expensive and we lose money on it, but if we build too little we're going to pay for it by hurting leasing."

Michael Manville of Cornell University, writing about new housing built in downtown Los Angeles after an ordinance partially repealed parking minimums, found that "across all of the [exempted] rental projects, the average amount of parking installed was 1.2 spaces per unit. That's more than the waived quota of one space." What happened was that many of those spaces could now be provided more economically and with more flexibility, perhaps off-site or shared with other uses. What's more, housing construction boomed -- if you haven't been lately, downtown Los Angeles has become quite lively -- and the car-free housing units were significantly cheaper.

Parking is a dynamic land-use market that can be fulfilled in many ways, not only through zoning requirements. If prices were more realistic and market-responsive for off-street and on-street spaces, price elasticity would make even more spaces available. Better pricing can better allocate and manage the myriads of spaces that already exist: performance pricing metered and permitted on-street spaces, smarter loading zone management, sharing spaces between uses, renting out existing garage spaces, valet parking, automated garages, parking lifts, and increasingly intelligent car-sharing. The ultimate potential of better managing existing auto infrastructure is absolutely huge. If sharing can get the average American car out of the garage for just four hours a day -- vs. the 1 1/2 that's typical today -- the same number of car trips could be made with 70% fewer parking spaces.

It's these kinds of innovations that have recently started to earn the District national accolades -- just today, Fast Company named D.C. the nation's fourth-smartest city largely because of our increasingly smart transportation infrastructure. This proposed revision to the zoning ordinance can spur further innovations, increase productivity, save money, and might even help us exercise and lose weight. **It's the right thing to do.**

Sincerely yours,

Payton Chung