How To Make Parking Work In A Downtown

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I devoted Monday's Substack post to honoring my former professor and mentor Don Shoup, the parking guru who passed away in February. To be honest, I'm not a parking expert – in my day job, I'm a land use guy, not a parking guy. But one of the things Don taught me is that parking and land use are deeply interconnected. The distribution of uses across the landscape – and, indeed, the way people go about their daily activities – depends in large part on how parking is provided and managed.

Frankly, most people never think much about parking. They simply assume that it will be available to them in what you might call "suburban mini-mall fashion": You want to go to the store, so you drive up in front of the store and there's a parking space for you right there.

This type of parking arrangements works in many suburbs, and in fact it's the thing that *creates* suburbs in the first place. Not only are the places we go so far apart we usually drive, but the parking itself separates each place we go from one another so much that we have no choice but to drive between every destination.

Why Do We Try To Make Downtowns Like Suburbs?

Cities, however, are different. Cities are a jumble of different land uses, located quite deliberately in close proximity to one another so that you don't *have* to drive your own car everywhere. You can walk between destinations or take a shuttle or some other local vehicles. But most people drive their car *into* and *out of* a city, so that raises the question of what to do with the car while you are walking between destinations.

The traditional model – dating from the '50s and '60s – is simply to make cities like suburbs by providing parking everywhere separately for every building, thus allowing (or requiring) everybody to drive everywhere, even between destinations in a downtown. This, of course, deadens the downtown by putting parking lots everywhere and taking people off the streets, making it an unattractive alternative to the suburbs.

Lately I've been working with Toole Design and the Metropolitan Redevelopment Agency in Albuquerque to address this very question. Toole and MRA are working on a parking study for Downtown Albuquerque and recently held an open house where I presented some of the lessons I have learned over the years from Don Shoup and my own personal experience.

Downtown Albuquerque is the center of a metropolitan region, but it does reflect the mid-century attempt to mimic the suburbs. There are a lot of brutalist government and institutional buildings, most of them set back from the street with lifeless plazas. There are a lot of parking garages, both public and private, that are perceived to be unsafe. And there are a lot of surface parking lots. There is one excellent pedestrian street: Central Avenue, which has a lot of restaurants and stores. But overall, the impression I always get in Albuquerque, because of the poor urban design, is that things seem far apart even though they are close together.

Central Avenue, Downtown Albuquerque's only true pedestrian street.

We're still working on the actual parking study, so the results won't be out for some time. But in my talk, I made five suggestions for how Albuquerque and other cities can better manage parking in their downtowns – and bring more life and prosperity to them in the

process. Although I've focused mostly on downtowns in this post, these concepts really apply to any urban district, whether in a downtown or not.

So here are the five suggestions:

1. Manage Parking As A System

It is amazing to me how many cities don't do this. On-street parking is usually treated separately from off-street parking and they are priced without regard to one another. Residential permit parking results from neighbors' complaints, not a strategy.

But motorists don't think of parking facilities discretely. They are simply looking for a place to park and they follow the path of least resistance. If they can park on the street, they will – often circling the block, passing surface lots and garages in the process. If they don't like the options and the destination is compelling, they'll park far away in front of somebody's house.

So pricing and regulation have to work together across an entire district, with an overall strategy that usually including paid parking on-street and off-street, time limits in some locations, and permit parking in others.

2. Set the Price for Parking Based On Demand

I know, nobody wants to pay for parking and everybody's always looking for that unicorn: the free spot right in front of where they're going. (How many times have you heard the term "Good Parking Karma"?) But the fact of the matter is that demand and supply matter, and this is maybe the most basic Shoupian concept: You should set the price for parking based on demand.

This is the thing that most people don't understand about Shoup. Most people think he simply thought people should pay

for parking all the time everywhere. (He wryly made fun of himself sometimes with his motto, "All May Park. All Must Pay.") But Shoup was an economist and he believed in supply and demand. When demand exceeds supply, the price should be high. When supply exceeds demand, the price should be low or even free.

And there has to be more attention paid to real-time demand. How many times have you seen paid parking required during the day – but not at night when bars, restaurants, and entertainment venues are full? I will admit that more cities are catching on to this one and extending paid parking hours deep into the evening in entertainment districts.

How high to price parking in places where there is lots of demand is open to debate. Shoup thought it should be priced high enough so that most spaces will be filled most of the time, but that one or two spots on every block or aisle would be available at all times. (This is often known as the 85% rule.) My guess is that the typical person who sees 85% of the spaces filled doesn't think there's enough parking – so there's a calibration that has to occur between policy and people's expectations. But the basic idea is solid: Price parking based on demand, just like you price anything else.

3. Price Curb Parking Higher Than Garage Parking

This is another one that just amazes me: Cities will charge *more* for parking in a garage than parking right outside the garage on the street. You'd think that the local city council had made a policy decision that they would rather have people cruise for parking on the street than park in a garage.

But that's not what's typically happening. What's typically happening is that cities are not thinking of parking as a system (see #1). They are thinking of each facility individually. On the one hand, there's usually tremendous pressure to keep street parking cheap (often from shop owners and their employees who park on the street). On the other hand, financing a parking garage often requires a significant revenue stream, which means prices will go up. Or each parking will be viewed as a separate "enterprise fund," meaning the garage has to pay for itself. But it's the parking *system* that should pay for itself, not each individual facility.

4. Create Parking Benefit Districts

I talked about this is my post the other day, but Shoup understood very well that the people most likely to be affected by paid parking also have to benefit from it. By directing parking revenue back to the community where it is generated via a parking benefit district, you can both overcome political opposition and make the district more attractive – bringing more people in to spend money and increase both parking revenue

and tax revenue. In many cities, the business improvement district manages the parking revenue, combining it with their own BID assessment, for things like powerwashing sidewalks and repair and maintenance.

The critical point here is to think of parking revenue not as a revenue source, but as a management tool. Too many cities – desperate for revenue – simply think of parking revenue as a cash cow, and so they don't manage the parking well.

5. Unlock Private Parking Assets

When I ran the Kinder Institute at Rice University in Houston, we did a parking utilization study for the nearby Rice Village shopping area, where Rice itself was the biggest landowner. There was a general view in Rice Village – as is often the case in a commercial district – that not enough parking was available and either the university or the city or both together should build a new parking garage.

But when we did the parking utilization study, we found that, at any given time, within a quarter-mile (five-minute walk) of "ground zero" in Rice Village, there were *a thousand empty parking spaces* in nearby garages.

But of course they weren't available to the public. They were controlled by private building owners and tenants and everybody assumed there was no way to pop them open – because who would ever give up control of any parking spaces in Rice Village?

A shopping center in Houston's Rice Village owned by Rice University.

When confronted with this situation, I was reminded of one of Don Shoup's favorite sayings, appropriate coming from an economist:

"You'd be surprised what people will do if you offer them *money*."

And that's what Rice did. The University went around Rice Village and made parking deals with private owners who were not making their parking available to the public. Soon, Rice's tenants were using the private parking to park cars that were valeted, and eventually, some of them were opened to other users.

The thing about managing parking is you can't just get things happen. You have to actually *manage* the parking in a coordinated and logical way. And if you do that, you can actually making parking work, even in a downtown.