The Shoup Doggma

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"The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think anew, and act anew.

Abraham Lincoln

Snoop Dogg and I were both born in Long Beach, and students call me Shoup Dogg. They say that I teach the Shoup Doggma, which doesn't sound good because dogma is "a set of principles laid down by an authority as incontrovertibly true." When Daniel Hess told me about his plan to edit a book on the Shoup Doctrine, I saw this as high praise because a doctrine is "a theory that is supported by evidence, backed by authority, and proposed for acceptance." I am honored that 33 authors have written chapters about the Shoup Doctrine, and my contribution is to summarize the Shoup Doggma.

Introduction

At the dawn of the automobile age, suppose Henry Ford and John D. Rockefeller asked how city planners could increase the demand for cars and fuel. Consider three options. First, divide cities into separate zones (housing here, jobs there, shopping somewhere else) to create travel between the zones. Second, limit housing density (single-family zoning, minimum lot sizes, height limits) to spread the city out and further increase travel. Third, require ample off-street parking everywhere.

American cities have unwisely adopted these three car-friendly policies. Planners didn't intend to enrich the automobile and oil industries, but they have separated land uses, limited density, and required off-street parking for almost a century. City planners used Pandora's Box as their toolkit and we now live in drivable cities without walkable neighborhoods.

A city where everyone happily pays for everyone else's free parking is a fool's paradise, and the daydream of abundant free parking has turned into a vehicular nightmare. What can cities do now to recover from this planning debacle? Here are three parking reforms that will help. First, remove off-street parking requirements. Second, charge the right prices for on-street parking. Third, spend the resulting revenue to pay for added public services on the metered blocks.

1. Remove Minimum Parking Requirements

Minimum parking requirements are almost a religion in city planning, but many people don't even know they exist. Cities require that off-street parking spaces must be provided for hundreds

of land uses in thousands of cities, such as 1.5 parking spaces per fuel nozzle in a gas station, two parking spaces per body piercing artist in a piercing studio, and three parking spaces per thousand square feet of floor area in a sex novelty shop. These are a few examples among the Ten Thousand Commandments for off-street parking.

In 2005, the American Planning Association published *The High Cost of Free Parking*, a 750-page book in which I argued that off-street parking requirements are dangerous pseudoscience. They subsidize cars, increase the cost of housing, aggravate traffic congestion, pollute the air and water, create heat islands, reduce walkability, degrade urban design, accelerate global warming, and penalize everyone without a car.

In the United States, people have less space for housing than cars have for parking. The U.S. housing supply is about 800 square feet per person (Moura et al. 2015). Estimates of the U.S. parking supply range from three to eight off-street spaces per car (Litman, 2023). On average, three parking spaces occupy about 1,000 square feet of land in a parking lot (half for the parked cars and half for the access aisles). If there are three parking spaces per car, the 1,000 square feet of parking is 25% more than the 800 square feet of housing per person. If there are eight parking spaces per car, the area of parking per car is more than triple the area of housing per person.

Cities that use zoning to limit housing density and require off-street parking spaces have well-housed cars and homeless people. People pay more for housing so cars can park free. By increasing the cost of housing, parking requirements force some people to live in their cars.

Parking requirements hide the cost of parking in higher prices for everything else. In a nationwide study, Gabbe and Pierce (2017) estimated that bundling the cost of parking in the cost of housing increases rents by about 17%. In a study of downtown Los Angeles, Manville (2013) found that bundled parking raised the average rent for an apartment by about \$200 a month and raised the average price of a condominium by \$43,000. Reid (2020) estimated that structured parking adds \$36,000 per unit to the cost of constructing low-income housing in California. If parking is unbundled from housing, someone who doesn't own a car can rent an apartment without paying for someone else's free parking. Free parking is rent control for cars, not people.

Parking requirements are a tax on housing to subsidize parking. In *The High Cost of Free Parking*, I estimated that the subsidy for all off-street parking spaces in the U.S. in 2002 was between 1.2% and 3.6% of the Gross Domestic Product (Shoup 2005, Chapter 7). At these percentages, in 2022, the subsidy for off-street parking was between \$300 billion and \$916 billion. (In comparison, the defense budget was \$766 billion.) Because the nation's population was 333 million, the subsidy for off-street parking was between \$900 and \$2,750 per person per year. In addition, free on-street parking adds to the subsidy for cars. Free parking is America's favorite entitlement.

¹. The wide range of three to eight parking spaces per car shows how little we know about the total parking supply. Cities strictly require the exact number of parking spaces for every land use but then pay no attention to the total number of parking spaces, parking prices, or parking space occupancy rates.

Who pays for parking?

The cost of parking doesn't go away just because drivers park free. If drivers don't pay for parking, who does? Initially, homebuilders pay for the required parking spaces, but soon homeowners and renters do. Commercial developers pay for the required parking, and then the tenants do, and so on until the cost of parking has spread throughout the economy. We unknowingly support cars in almost every commercial transaction because some of the money changing hands pays for parking. We rarely pay for parking as motorists, but we pay for it in all our other roles in life—even people without a car pay for parking. Parking requirements punish people for not owning a car.

For example, grocery stores with ample free parking charge higher prices for food to cover the cost of the required parking spaces. As a result, people who cannot afford to buy a car pay higher prices for food so richer people who drive to the grocery store can park free. Food insecurity, maybe, but no parking insecurity.

If you don't own a car, you can't park free. Because free parking benefits only people who own a car, parking requirements widen the class divide between those who can afford a car and those who can't. Money that could pay for better sidewalks, bike lanes, and public transit is spent to subsidize parking. The lack of alternatives to driving then forces even low-income families to borrow money (often at usurious interest rates) to buy used cars, and then pay a large share of their low incomes to support the cars (Livingston and Ross 2022). Parking requirements make life expensive for poor people.

Is free parking worth the high cost of parking requirements? Do most people really want free parking more than affordable housing, clean air, walkable neighborhoods, a healthy economy, and a sustainable planet? Increasingly, the answer is **NO**, and a Parking Reformation is underway.

Cities are abandoning minimum parking requirements.

In 2017, Buffalo, NY, became the first large American city to remove all parking requirements. In a study of the results, Hess and Rehler (2021) found that developers provided 21% fewer parking spaces than the city had previously required. The parking reductions were greatest for mixed-use buildings along key public transit corridors. Many cities have followed Buffalo's lead (Parking Reform Network 2024). For example, in 2023, Norman, OK, changed the word "required" to "recommended" in its zoning ordinance (Ionescu 2023). With little discussion, the city council voted unanimously for the one-word change that effectively removed all parking requirements.

The <u>Parking Reform Network</u> maps hundreds of cities that have removed or reduced their parking requirements. Yanocha and Allan (2023) present six case studies of cities that have reduced or eliminated minimum parking requirements. Shoup (2020b) summarizes parking reforms in 12 cities on five continents.

In 2023, San Jose, CA, became the largest American city to remove all its parking requirements. For decades, San Jose had accumulated a byzantine array of parking requirements for every animal grooming studio, beauty shop, dance hall, adult bookstore, and hundreds of other land uses. No building could be built, and no business could open without providing all the required parking spaces. Sites not big enough to fit both a business and its required parking on the same piece of land remained parking lots rather than become businesses.

Each new parking requirement in a city is like accumulating another barnacle on a ship's hull, slowing the ship down and increasing its fuel consumption. Removing the parking requirements in a city is like stripping the barnacles off a ship, and it's much easier.

State action

Parking reforms are also happening at the state level. In 2023, California prohibited cities from imposing parking requirements within a half mile of public transit. Section 65863.2 of the California Government Code says:

A public agency shall not impose or enforce any minimum automobile parking requirement on a residential, commercial, or other development project if the project is located within one-half mile (805 meters) of public transit.

The state has not usurped what should remain local public decisions. Instead, the state has prohibited cities from usurping what should remain private decisions. Developers and businesses know more about their customers' demands for parking than politicians or city planners do.

Climate change and a housing crisis triggered this state-level ban on parking requirements near transit. Local elected officials consider the local effects of parking requirements, but state legislators must consider wider consequences, such as housing affordability, air pollution, traffic congestion, and global warming. States have valid reasons to prohibit local parking requirements.

Inspired by California's legislation, the <u>People Over Parking Act</u>, introduced in Congress in 2023, would prohibit cities from requiring off-street parking within a half-mile of public transit anywhere in the United States. In 2020, New Zealand prohibited parking requirements everywhere in the nation. Markets rather than politicians will manage the number of parking spaces.

The effects of removing parking requirements

Removing parking requirements allows less parking and more housing. For example, in 2015, Champaign, IL, removed its parking requirement of one space per apartment in a neighborhood near the University of Illinois (Sohoni and Lee 2023). In the next seven years, 36 of the 43 new buildings in the neighborhood had less parking than previously required, and eight had no

parking. Developers provided an average of 1.05 parking spaces per apartment when the city required one space, and only 0.31 spaces per

Table 1

<u>Effects of Removing Parking Requirements in Champaign</u>

	Before	After	Change
Parking spaces per apartment	1.05	0.31	-70%
Parking spaces per acre	100	52	-48%
Apartments per acre	95	170	79%

Source: Sohoni and Lee (2023)

apartment afterward (Table 1). The number of parking spaces per acre fell by 48%, and the number of apartments per acre increased by 79%.² Apartments replaced parking spaces and people replaced cars.

Parking requirements are a fertility drug for cars. If cities stop requiring homebuilders to deliver unwanted parking spaces, builders will still have a strong incentive to provide all the parking their customers demand. As one homebuilder explained to Henry Grabar (2023, 221), "If people don't want to live in my apartment building because there's not enough parking, well that's *my* problem." Without parking requirements, residents will be able to choose between another bedroom in the apartment or another parking space in the garage.

Some cities adopt maximum parking limits when they remove minimum parking requirements. The simplest way to set the new limits is to convert the old minimums into new maximums, which <u>Nashville</u>, TN, and Raleigh, NC, did in 2022. If the old minimums ensured enough parking, the new maximums will prevent more than enough parking.

Zhan Guo (2018) studied what happened when London replaced parking minimums with maximums in 2004. The parking supply in new buildings was only 68 percent of the new maximum allowed and only 52 percent of the previous minimum required. Almost all the benefits of shifting from minimum requirements to maximum limits resulted simply from removing the minimum requirements. The maximum limits caused only 2 percent of the decline in the parking supply. This result in London does not mean that maximum parking limits won't help in other cities, but setting the right limits isn't simple.

Rather than limiting the number of parking spaces, cities can charge a fee for providing parking spaces. The fee can be linked to cars' external costs, including traffic congestion, air pollution, and carbon emissions (see Adam Millard-Ball's chapter in this book). In 2017, Mexico City converted most of its parking minimums into maximums and required developers to pay a fee for every space above half the new maximum (García Reséndiz and Sañudo Gavaldón, 2018b).

Minimum parking requirements are rigorously enforced pseudoscience. It's time for city planners to rethink parking requirements from scratch. Instead of forcing up the *quantity* of parking, planners should require a high *quality* of parking, including architectural design, landscaping, location, pedestrian safety, disabled access, signage, solar panels, heat islands, and water retention (Mukhija and Shoup 2006). Shifting the focus of parking policies from quantity to quality will allow both city planners and private developers to play more constructive roles in shaping cities.

2. Charge the Right Prices for Curb Parking

^{2.} The number of parking spaces per acre fell by only 48% when the number of parking spaces per apartment fell by 70% because the number of apartments per acre increased by 70%. These

per apartment fell by 70% because the number of apartments per acre increased by 79%. These measures refer to parcel density, the number of apartments or parking spaces per acre for each parcel of land.

If cities stop requiring off-street parking, they will have to manage the on-street parking, and the most effective way to manage on-street parking is to charge the right prices for it. The right prices are the lowest prices that will leave one or two curb spots open on every block throughout the day, Drivers will usually find an open curb space within a block of their destinations. If prices keep curb spaces available everywhere, cities won't need to require off-street parking spaces anywhere.

To create a few open curb spaces everywhere, parking prices must vary by time and location. The peak prices might occur in commercial districts during weekdays and near entertainment venues during the evenings. As demand varies, parking prices at each location will rise or fall, and the local peaks will shift around like kittens fighting under a blanket. Popular places will have higher parking prices, but no one will have to search for parking like panning for gold.

Cruising is like a motorized game of musical chairs. Traffic jams are caused, at least in part, by cars cruising to find a free curb parking space. Since the first study in Detroit in 1927, there have been 25 published studies of cruising for parking in 15 cities on four continents (Shoup 2021). These studies found that on congested streets where the curb parking was crowded, the average time it took to find an open space ranged from 3 to 15 minutes. Between 8% and 78% of the cars in traffic were cruising for a curb space. Using a computer simulation of downtown parking and traffic congestion, Arnott and Inci (2006) estimated that setting the price of curb parking high enough to eliminate cruising would eliminate 98% of the cost of traffic congestion in downtown.

The goal of charging the right prices is to maintain the right occupancy rates. Dynamic prices can balance the varying demand for parking with the fixed supply of curb spaces. At the right prices for curb parking, curb spaces are both readily available (a few spaces are open) and well-used (most spaces are occupied). Can anyone recommend a better way to set the price of curb parking?

If parking demand varies during the day and meter prices are fixed, curb spaces are usually either under-occupied or overcrowded. If prices are too high and too many spaces are vacant, businesses lose customers, workers lose jobs, and cities lose tax revenue. If prices are too low and too few spaces are vacant, drivers cruising for parking congest traffic, pollute the air, and emit CO₂ (Shoup 2006, Cao, Menendez, and Waraich 2019). Cruising also endangers pedestrians and cyclists because drivers are looking out for parking spaces, not pedestrians and cyclists.

Cities do vary curb parking prices when they stop operating the meters at night and start operating them in the morning. But cities should use dimmers on the parking meters, not on-off switches. The wrong prices for curb parking do a lot of damage, and the right prices do a lot of good.

In 2011, San Francisco adopted SF*park*, the most significant price reform for on-street parking since the parking meter was invented in 1935 (Primus 2018). The city installed sensors that report the occupancy of each curb space and parking meters that charge variable prices according to location and time of day. The city adjusts prices once every two to four months in response to the occupancy rates in the previous period, aiming for one or two open spaces on every block

(Shoup <u>2018</u>, 28-29). Between these periodic adjustments, the prices do not vary like surge pricing.

Setting prices based on occupancy is called market pricing, right pricing, demand-based pricing, variable pricing, dynamic pricing, or performance pricing. If nudging meter prices up on a crowded block and down on an under-occupied block can shift one driver from the crowded block to the under-occupied block, the price changes will improve the performance of both blocks (Figure 1).

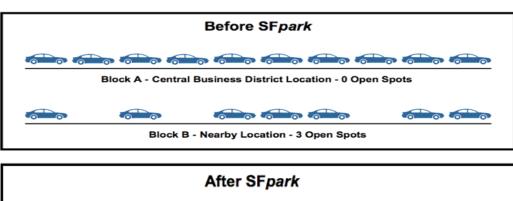
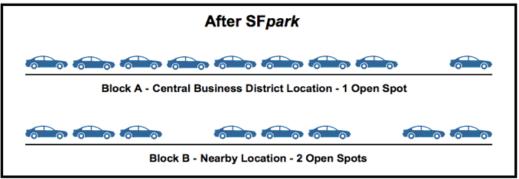


Figure 1. Before and after SF*park*



During the first two years of SF the sales tax revenue (which measures business activity) rose 22% on the demand-priced blocks and 15% in other areas (Pierce and Shoup 2013). Skeptics feared that SF would harm businesses, but it helped them.

SF*park* depoliticizes curb parking prices by setting a clear policy. The city charges the lowest prices possible without creating a shortage. Prices increase only when necessary to maintain a few open spaces. Because demand dictates prices, politicians cannot raise the prices to gain revenue or reduce them to please motorists. San Francisco's parking prices are data-based and transparent, while most cities' parking prices are politics-based and opaque.

In 2023, Arlington, VA, established a performance pricing program for 4,500 metered spaces in two business areas. For every metered space, the city knows the location of the space, the price of parking in it, the occupancy of the space, and the time of day, week, and year. Every few months, Arlington raises the meter rates where spaces are crowded, lowers them where spaces are under-occupied, and leaves them unchanged for most spaces. In June 2024, prices increased by \$0.50 an hour for 22% of the spaces and declined by \$0.25 an hour for 15%.

Cities can't manage what they don't measure, and most cities don't measure anything about curb parking except the meter revenue and the number of parking tickets. However, cities will soon be able to collect big data and use artificial intelligence to predict the optimal prices for curb parking. Many variables other than price affect the demand for curb parking, such as the price of nearby off-street parking, holidays, special events, the weather, and the frequency and fare of public transit. A predictive pricing strategy based on ample data will be much better than setting prices in the next three months based on the occupancy rate in the previous three months.

The downside of priced parking is that drivers must pay for it. But not all drivers. Cities can charge lower prices for low-income drivers, and richer drivers will pay the full market prices. If a city subsidizes parking for low-income residents, it should also give an equivalent benefit (such as free transit passes) to low-income residents who don't own a car.

Market prices for curb parking resemble urban acupuncture. A simple touch at a critical point—the curb lane—can benefit everyone in the city. In another medical metaphor, streets resemble a city's blood vessels, and overcrowded curb spaces resemble plaque on the vessel walls. Market prices remove this plaque, and drivers will never need to cruise.

If curb parking is underpriced and overcrowded, cruising to find an open space is individually rational but collectively insane. Free curb parking is not one of Adam Smith's cases where individuals pursuing their individual interests are led, as if by an invisible hand, to produce the greatest good for the greatest number. Market-priced curb parking will give Smith's invisible hand a green thumb, and individually rational choices will produce collectively sane results. The right prices for curb parking will produce the best parking choices by the most drivers and please the greatest number of people at the lowest cost to society.

Despite all their advantages, market-clearing prices for curb parking rarely make sense to anyone except economists, and even they want to park free. So what should cities do to change people's minds?

3. Spend the Meter Revenue to Improve Public Services on the Metered Blocks

Minimum parking requirements and free curb parking have created a world where most people drive to most places and park free when they get there. Drivers think they were born to park free, and that parking is like sex—if you have to pay for it, it's just not right. If parking is essential for almost everyone, and drivers don't want to pay for it, how can cities build political support for market-priced curb parking? The answer is to spend the meter revenue wisely.

Some cities have established Parking Benefit Districts (PBDs) that spend the parking meter revenue to pay for *added public services on the metered blocks* (Shoup 2011, Chapters 16, 17, and forthcoming). Meter money can pay to plant street trees, clean sidewalks, and remove graffiti. If a PBD pays for local public services that stakeholders want and will not get unless they charge for curb parking, market prices begin to make political sense. Curb parkers become paying guests, not freeloaders.

Local public services

Local public services are the political key to charging for curb parking. PBDs alter the politics of priced parking by providing public services that everyone will see on their streets every day. Clean sidewalks, healthy street trees, and historic street furniture can show stakeholders the benefits of parking meters. PBDs should be loud and proud about what the meters pay for. Spending the revenue on the right things in the right places converts parking meters from sticks into carrots.

If residents want good public services more than hard-to-find free parking, the curb lane can benefit everyone, not just drivers who hunt long enough to find a space. Residents will begin to think like parking lot owners, and a new golden rule for pricing curb parking may emerge: *Charge others what they would charge you*. If delivery drivers and other nonresidents park on the street, PBDs enact Monty Python's proposal to 'tax foreigners living abroad.'

To show the local public benefits of priced curb parking, <u>Boulder</u>, CO, uses its downtown meter revenue to buy public transit passes for everyone who works downtown. Drivers who pay to park on the street subsidize commuters who ride the bus. The public transit agency gains new riders and revenue, and employers benefit because all their employees receive a new tax-free fringe benefit. If Boulder instead put the meter revenue directly into its general fund (as most cities do), the downtown stakeholders would probably not ask for market-priced parking meters. Priced curb parking and free public transit contribute to a prosperous downtown, while crowded curb parking and expensive public transit do not.

Using the revenue

Curb parking has enormous revenue potential. For example, New York City charges nothing for parking in 97% of its three million curb spaces. Charging only \$5.90 a day for curb parking—the price of one round trip on public transit—would generate \$6 billion a year, which is 50% more than the \$4 billion in total farebox revenue from all New York City public transit in 2022 (Shoup forthcoming). Instead, most curb lanes in New York are used for free, long-term, car storage. The market price for most of these three million parking spaces is probably higher than \$5.90 a day (\$0.23 an hour), so market-priced curb lanes should be able to raise more than \$6 billion a year.

PBDs can buy transit passes for all residents, and the transit agency can use the new revenue to improve service. Because transit pass holders ride transit more often, the higher ridership allows more frequent service. And because market prices for curb parking reduce traffic congestion caused by cruising, they also increase the speed and reliability of transit, which further increases ridership (Brown, Hess, and Shoup 2001 and 2003; Krishnamurthy and Ngo 2020).

PBDs can also buy car-sharing memberships for residents who don't own a car but occasionally want to use one. Car-sharing companies with more members can outbid private car owners for some curb spaces. The relationship between cars and residents will shift from ownership by a few to availability for many. Fewer private cars, more shared cars, and better public services will improve most neighborhoods.

PBDs can also eliminate the need to move cars for street sweeping (Shoup 2011, <u>285-287</u>). Revenue from operating the meters during cleaning hours can pay for additional staff needed to clean the gutters while cars remain parked.

Many cities worldwide have crowded curb parking and poor public services. In 2012, Mexico City established its first PBDs. Other megacities like Bangkok, Cairo, Lagos, Manila, and Mumbai will benefit the most from market-priced curb parking and better public services. If delivery drivers and other nonresidents park on the street, PBDs resemble Monty Python's proposal to 'tax foreigners living abroad.'

Market socialism

Parking Benefit Districts unlock the value of the curb lane but do not privatize it. The city owns the land, uses market prices to manage it, and spends the resulting revenue to provide public services. PBDs create markets without capitalism and finance public spending without taxes. A pilot program on a few blocks in any city can answer most questions about the politics, economics, and equity of PBDs. If a pilot doesn't work well, the city won't lose much. If the pilot works well, PBDs can spread throughout the city.

Beyond charging for curb parking, a tax on surface parking lots is another source of revenue. In 2010, Montreal imposed a tax on surface parking lots in the city center to encourage building housing on the land (Tremblay-Racicot et al. 2020 and 2023). In 2023, the tax rate was about US\$1,100 per parking space per year, which is high enough on some lots to make building an

apartment house more profitable than parking cars on the land. PBDs can use the parking tax revenue to improve neighborhood public services. Because few people own a parking lot and everyone wants better public services, PBDs can create overwhelming political support for this Georgist tax policy (Shoup 2005, Chapter 19). PBDs are Henry George for our time, on wheels.

Successful Parking Benefit Districts

Pasadena, CA, established its first PBD in 1993, and it transformed Old Pasadena from a commercial skid row into one of the most popular destinations in Southern California. The city used meter revenue to pay for rebuilding all the sidewalks, installing historic street furniture, planting street trees, and putting overhead utility wires underground. Dilapidated alleys were turned into walkways with shops and restaurants. More than \$1 million a year in meter revenue pays to clean the sidewalks and streets daily, power wash the sidewalks twice a month, and provide other traditional "clean and safe" services (Figure 2). Old Pasadena's sales tax revenue (a measure of business activity) tripled in the five years after the city established its first PBD (Kolozsvari



Figure 2. Meter money makes a difference in Old Pasadena.

and Shoup <u>2018</u>). Since then, Pasadena has established four more PBDs and many other cities have established them (Shoup forthcoming).

Like conventional Parking *Permit* Districts, a Parking *Benefit* District can be established when a majority of residents on a block sign a petition for it. This democratic, block-by-block, opt-in process allows residents to choose whether they want free curb parking or better public services.

PBDs solve two problems: overcrowded curb parking and undersupplied public services. Market prices prevent overcrowding, and the resulting revenue pays for better public services. PBDs convert the poison of overcrowded curb parking into medicine for the whole city.

The price of curb parking may seem a trivial issue, but free on-street parking leads cities to require off-street parking. Parking requirements spread the city out and make cars more necessary. More cars slow public transit, make walking and cycling less pleasant, and accelerate global warming. Few people will see any link between free parking and the downstream catastrophic consequences.

Chaos theory is a term coined to describe how small events in complex systems can have vast, unpredictable consequences. The classic example is that a butterfly flapping its wings in Brazil could set off a chain of events leading to a hurricane in Texas three weeks later. Similarly, free parking has created traffic chaos on congested roads and minimum parking requirements have disrupted the economies of cities around the world.

Conversely, market-priced curb parking will eliminate cruising, reduce traffic congestion, and make walking and cycling safer and more enjoyable. Open curb spaces will show that off-street

parking requirements are unnecessary, and removing them will reduce the cost of everything else. The benefits will cascade throughout cities, the economy, and the environment. Minimum parking requirements make driving easier, and PBDs make it easier to drive less.

Parking Benefit Districts are a fertility drug for parking meters. They are a new part of the fiscal system, and they can attract support from across the political spectrum. Progressives will see more public spending. Conservatives will see reliance on markets. Residents will see better public services. Environmentalists will see cleaner air and lower carbon emissions. Drivers will see available curb spaces and less traffic congestion. Elected officials will no longer have to deal with the mind-numbing politics of free curb parking. And city planners will find it easier to remove the off-street parking requirements that create abundant free parking at the expense of all other values

The name Parking Benefit District suggests that curb lanes are only for parking cars, but parking is often not the highest and best use of the land. Bus and bike lanes can provide cheaper, faster, and safer travel. Cities can plant trees and allow cafés in the curb lane (Figure 3). But wherever a city allows parking in the curb lane, elected officials can choose the desired occupancy rate and staff can set the prices needed to reach that rate.

The curb lane is the new urban frontier, and parking is not always its most productive use. Cities can manage the curb lanes to serve everyone, not just cars.

To increase political support for exclusive bus and bike lanes, a city can offer free transit passes to everyone who works or lives on blocks with reserved lanes and can validate transit fares for all business customers, like parking validations.

Parking Benefit Districts turn the relationship between cars and people upside down. Now, housing is expensive for people and parking is free for cars. In PBDs, parking is expensive for cars and people get better public services.

Figure 3. Café, trees, and cars in the curb lane in Paris

Crowded curb parking is a great opportunity disguised as an insoluble problem. Like urban alchemy, Parking Benefit Districts transform parking shortages into public services. In PBDs. market-priced curb parking can be politically popular, financially successful, environmentally sustainable, and socially just.

If, since the advent of the car in 1886, cities had always charged market prices for curb parking and spent the revenue on local public services, the world would look and work much better now. We would still have cars, just not as many. So, for the sake of both ourselves and our descendants, why not start charging market prices for curb parking and spending the revenue on local public services now?

Conclusion: You Pay for Your Parking and I'll Pay for Mine

Adam Smith invented the invisible hand, but city planners seem to prefer the hiding hand. Minimum parking requirements hide the cost of parking in higher prices for everything else. Most of us don't know it, but we all pay for free parking.

Most people aren't interested in parking itself, but there are many issues that parking strongly affects: active travel, affordable housing, air quality, architecture, climate change, the environment, income inequality, pedestrian safety, public transportation, traffic congestion, urban design, and many other issues. Some of us were even conceived in a parked car.

Free parking is good politics but bad policy. Charging market prices for curb parking, spending the revenue on local public services, and removing off-street parking requirements are the simplest way to start undoing a century of car-centered city planning. All things considered, market-priced parking is cheaper and fairer than free parking. Shifting the cost of parking to the parkers will make cities more expensive for cars and better for people.

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Endnotes