

# An introduction to US experiences

- Parking Cash-Out
- PDB – Parking Benefit Districts

International seminar:  
Parking Management and Land Use Regulations  
Oslo, September 20, 2005

Thanks to:

Prof. Donald C. Shoup, UCLA

Two recent books:

- The High Cost of Free Parking
- Parking Cash Out

American Planning Association, 2005

# Possible reasons for concern

- Energy
- Land use
- Local and global climate
- Other environmental issues (noise, particles, etc)
- Accidents
- More?

# Two aspects of transport by automobile:

- **It requires much space (land use)**
- **The cost of parking has been shifted out of the transportation sector and into the prices for everything else.**

# **Parking requires large areas of valuable urban and suburban land**

and much floor space (on roofs, in garages, in multilevel parking structures, etc.)

Parking supply is closely connected to urban sprawl





# ***“FREE PARKING” ?***

Does free parking exist?

Who pays for the parking?

# The high cost of free parking

Free parking contributes to

- auto dependence
- urban sprawl
- extravagant energy use
- many more problems

Maybe we should reduce the demand rather than increase the supply of parking spaces !

How?

Restrictions?

Pricing?

Or

Incentives ! (Eco-passes, cash out)

## *Cash out parking:*

- How is it justified?
- How does it work?
- Where does it apply?
- What are the effects?

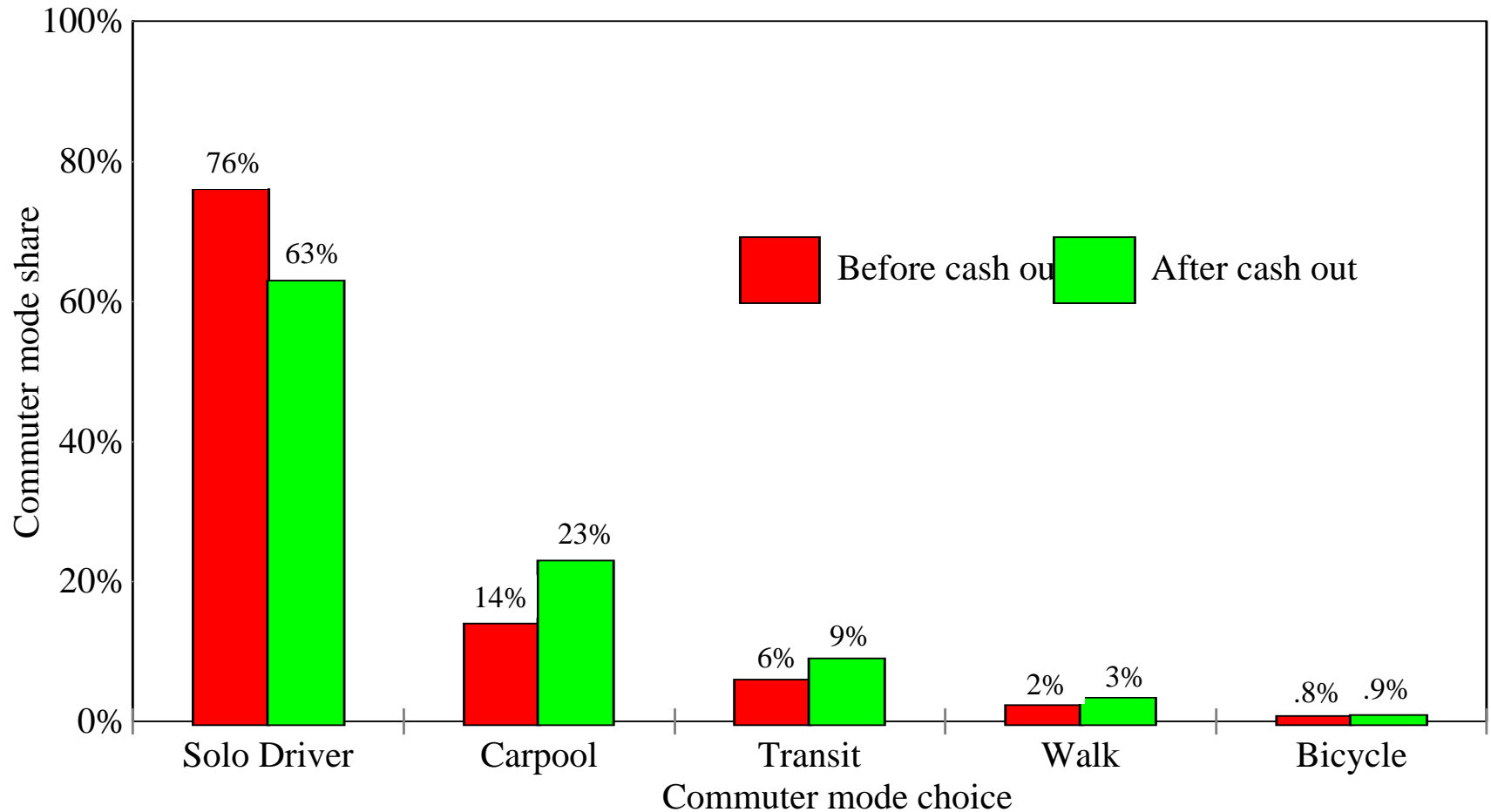
# Employer-Paid Parking: A Matching Grant

- Employers pay for parking *at* work if the employee is willing to pay for driving *to* work
- Commuters who do not drive to work do not get a subsidy
- Employer-paid parking encourages solo driving

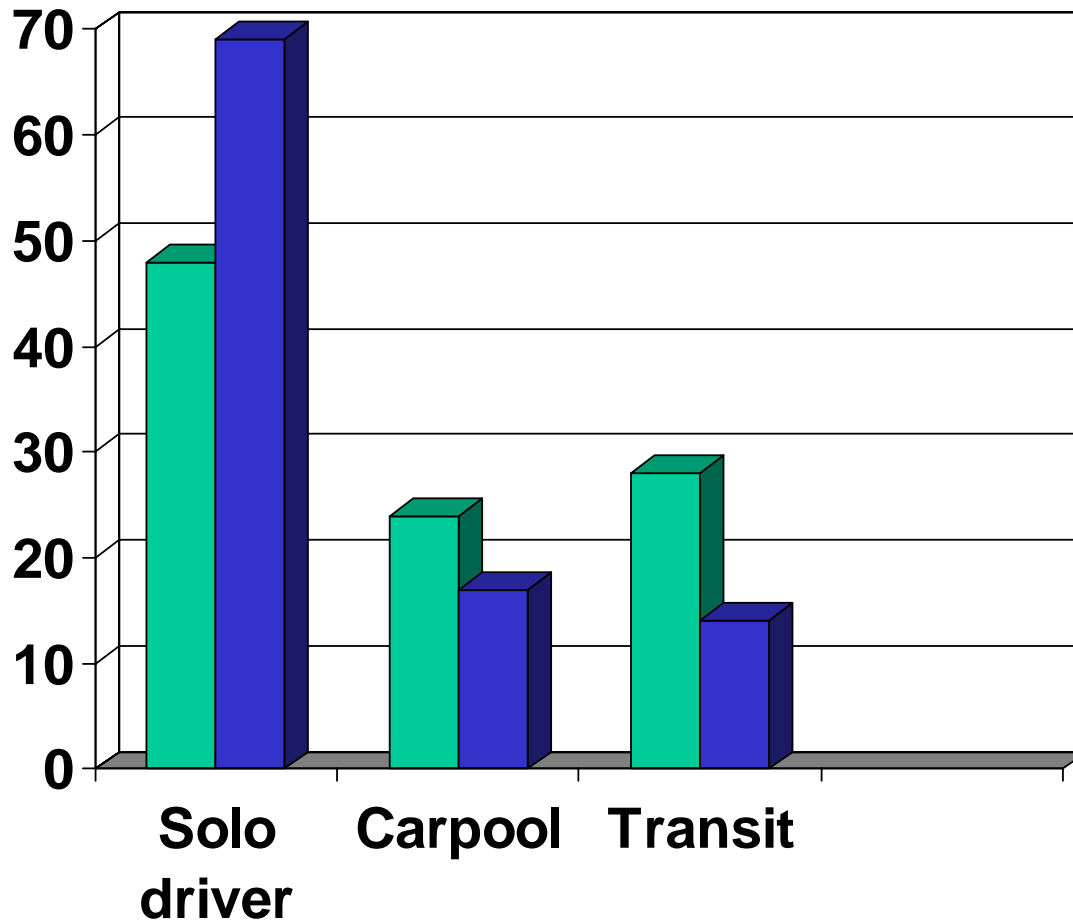
# California's Parking Cash Out Law

- Employers must provide a cash allowance to an employee equivalent to any parking subsidy offered
- The requirement applies to:
  - Firms with 50 or more employees
  - Only for leased parking spaces

# Commuter mode share before and after cash out



# Commuter mode share



# *Parking Benefit Districts:*

- What is it?
- How does it work?
- Where does it apply?
- What are the effects?

# What?

- For a block, a neighbourhood or a clearly defined area of a city it is agreed that curbside parking should be priced
- so high that there always will be available spaces
- and the net revenue goes to local improvements  
(parking or other good purposes)

# How and where?

- PBD can be applied both to business and residential areas

(Places with a shortage of parking)

- Curb parking is priced at a marked rate
- There shall be places available
- PBD is organised as a legally defined Parking Permit District.

# Business Parking Benefit Districts

- 15% available spaces = improved access
- Revenue used where it is generated = more attractive
- Increased number of visitors
- Organised as a **Business Improvement District (**BID**)**

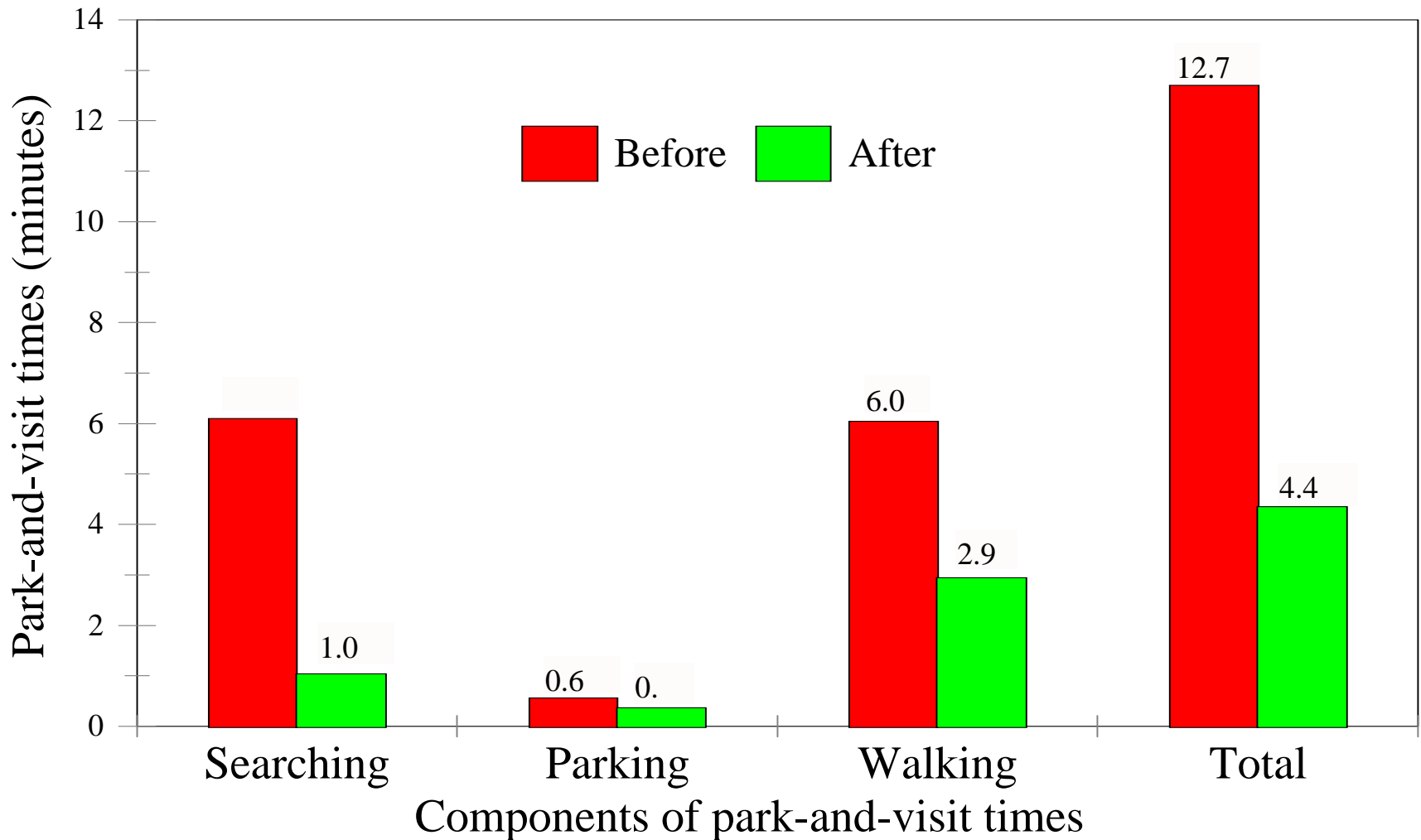
# Residential Parking Benefit Districts

- How to handle the spillover effect from business districts nearby
- Provide parking to residents
- Make better use of available parking
- Revenue used for local improvements

# Effects - responses

- Reduced waste of time
- Less energy consumption
- Breathe cleaner air
- Less car use on the local streets
- Pay less for everything but parking
- More revenue for local public services

# Park-and-visit times before and after parking prices were quadrupled



*Can Cash Out and/or PBD be  
applied to urban areas in  
Norway?*

# Possibly – but there are obstacles

- Parking regulations are controversial
- Legal adjustments necessary
- Tax regulations
- Lack of support from the public / residents and businesses
- Provision of alternatives

# Conclusions

- **Parking is heavily subsidized today**
  - The annual subsidy for off-street parking may be about the size of the budget for the US national defense!
- **Parking prices have a significant effect on travel choices**
  - Parking subsidies substantially increase vehicle travel!

# Conclusions

- Parking policy encompasses effective measures which can:
  - influence on land use
  - the location of trip generating activities
  - mode choice
- The implementation is dependent on a coordinated effort between authorities, developers and employers

