

A part of the Parking Policies Handbook Section



# Stay tuned for the up-to-date version of this resource!

This document is undergoing fact checks and updates... you will be able to access the new version in September 2025.

## Part 1: Document for Council

**Subject:** Proposal to remove minimum parking requirements, municipality-wide, and to replace them with open option parking.

## **Summary:**

Proper management of off-street parking is one of the simplest and most effective ways for municipalities to influence travel demand management. A zoning bylaw change has the ability to encourage mode shift, greenhouse gas and other pollution reductions from transportation, and healthier communities overall. Currently, there is an oversupply of off-street parking across the country, which is costly for municipalities, developers, businesses, and citizens. This is a result of the current system of minimum parking requirements, which are uniform city-wide in most cases. Thus, this is a proposal to replace the current parking minimum requirements with maximum parking requirements.

## **Background**

#### 1. The issue

- Oversupply of off-street parking across the country
- Associated costs for municipalities, developers, businesses, and citizens.
- This is a result of the current system of minimum parking requirements, which are uniform city-wide in most cases.

#### The Solution

- Proper management of off-street parking one of the simplest and most effective ways for municipalities to influence travel demand management.
- A zoning bylaw change has the ability to encourage mode shift, greenhouse gas and other pollution reductions from transportation, and healthier communities overall

#### Considerations



- Parking maximums means that minimum off-street parking requirements are replaced with maximum allocations per dwelling unit or per unit of floor area in the zoning bylaw.
- This system will turn the current parking minimum requirements into maximums, and there is a construction fee for every additional parking space.
- This allows for developers, homeowners, and businesses to determine parking based off of the market.
- Parking maximums allow for developers and homeowners to explore alternative markets for transportation, such as transit, cycling, or car share.
- Parking maximums remove the current assumptions that the city is responsible for space to store automobiles.
- Current requirements of barrier-free or accessible parking will not change.
- On- and off-street parking should be thought of as a system to avoid spill-over in neighbouring communities, ie. on-street parking reform should be considered alongside parking maximums.

## 1.1 Target Audience

- Developers, businesses, and homeowners, who have to work around parking requirements,
- Families and individuals who do not have a car but have been paying for parking nevertheless due to the current parking system,
- Results will benefit all of society

#### 1.2 Success Stories

- <u>London, UK</u> was the first major city to implement parking maximums for new developments in the metropolitan area in 2004.
- Mexico City led North America in implementing parking maximums beginning in July, 2017.

### 2. Jurisdictional issues

- Maximum parking requirements can be implemented through a change in the municipality's zoning bylaw.
- In every province across Canada, municipalities have the <u>jurisdiction</u> to regulate the amount of parking through their zoning.

Note: Local councillor to add relevant local council decisions. municipal bylaws, plans

## 3. Benefits

#### 3.1 GHG reductions

• Since parking maximums remove the subsidy society pays for parking a car, and the true cost of driving a car has been shown to encourage mode shift.



- Allows developers to have flexibility in the provision of transportation, which in turn, could encourage residents to try lower GHG emitting modes of transport.
- Encourages developments in areas of rapid transit, with access to car sharing, or for low-income housing to provide less parking.
- Enables developers to unbundle parking, so the cost to rent a space is paid separate to the cost of housing. This simultaneously makes housing more affordable and makes mode shift to lower GHG emitting transport more cost effective.

## 3.2 Community development

• Allows in-fill developments and historic building preservation to be economically and physically viable.

## 3.3 Social justice

- Opportunity to unbundle the cost of the parking from the cost to purchase or rent a home.
  - A single space has been shown to cost up to \$85,000 in some cities, and it is inequitable to pass that along to a family who does not drive or own a car.
  - This is particularly so where it is shown that low-income families are those less likely to drive, and income disparities in Canada are racialized.

### 3.4 Cost benefits

- Since the true cost of a parking space is often not fully covered by the cost of the home, adjusting parking minimums to better match market indicators could decrease the surplus cost for the developer to absorb.
- The cost of parking is bundled with the cost of products, so fewer surplus spaces could also lower the cost of goods and services.

## 3.5 Environmental benefits

- The materials and supply chain of parking structures contribute heavily to:
  - o GHG emissions.
  - Sulphur Dioxide (SO2) emissions,
  - o and PM10 emissions, which the <u>EPA defines</u> as, "inhalable particles, with diameters that are generally 10 micrometers and smaller".
- Paved surfaces, such as above ground parking lots, contribute pollution into the environment through rainfall, including suspended solids, phosphorus, nitrogen, oil and grease, and lead.
- Underground parking garages cause disruption to the ground water table.
  - This can cause problems with flooding, as the concrete is not porous, and in the event of surplus rain, there is less space for the water to go underground.

### 3.6 Housing benefits



- Since the cost of a parking space is often bundled into the cost of the housing unit, parking minimums lead to a decrease in affordable housing.
- Especially in areas neary frequent rapid transit, minimum parking requirements signal a prioritization of parking spaces over affordable housing.
- minimum parking requirements can act as a disincentive to the developer to build additional units, since they would require more parking.
- Even though smaller apartments cost less to build, the cost of adding a parking space is the same which decreases the number of available units.
  - Ultimately, disproportionately increases the costs of low-income housing.
- Helps make secondary suites more accessible, and ultimately leads to fewer illegal suites.
  - For example, <u>Nelson</u> requires one on site parking space per secondary suite

# 4. Financial impact

#### 4.1 Costs

- Option of the cost of an external contractor to conduct a study.
- Parking maximums have little cost to the municipality. This is effectively just a change in the zoning bylaw, so it requires no infrastructure.

### 4.2 Revenue Generation

- In some cases, meeting parking minimums effectively transforms the land use and the tax base.
  - In <u>Hartford</u> the tax structure works to encourage parking over development, since it was the most productive use of the land.
  - McCahill concluded, parking lots return 83 to 95 percent less property tax revenue to a city per acre than buildings do, which incentivises parking lots over buildings.
- If the municipality begins to view on- and off-street parking as a system, the next step will be to charge appropriately for on-street parking, which is a revenue source.
- Some cities have even developed successful parking benefit districts, where the revenue goes directly back into the community.

### 4.3 Staff time

- Any studies to determine any benefits relevant to that particular municipality.
- It does also save council and staff time, since council will no longer have to review development variance requests regarding parking.

Note: local councillor and their staff to develop further

## 5. Equity impact



## 5.1 User groups affected

- Drivers will no longer have their parking subsidized.
  - Of particular concern for low-income families who own a car and who may live in car-dependent communities.

## 5.2 Equity impacts

- A study <u>in the US</u> found black and hispanic households were more likely to have a lower net worth than the cost of a single parking space.
- This type of demographic information is not available in Canada, however, this CCPA report illustrates Canada's income inequality based on race.
  - Thus, reform of parking minimums can effectively place the cost of parking back onto drivers.
- Also affects developers, homeowners, renters, and business owners.
- There are options for assistance for low-income families in car dependent communities:
  - o Redistribution of some of the on-street parking revenue, and
  - o Implement an equitable fee structure. For example, families with multiple cars could pay more for each additional space.

# **The motion:**

Whereas transportation is a leading cause of greenhouse gas pollution in Canada;

Whereas low-income individuals and families are disproportionately impacted by minimum parking requirements;

And whereas local governments are in a position to support mode shift

Therefore, be it resolved that the local government of \_\_\_\_\_\_ removes minimum off-street parking requirements from its zoning bylaw and replaces them with maximum parking requirements, municipality-wide.

# Part 2: Arguments for Councillor presenting motion

## 1. Potential pushback and best responses

• This will put too much pressure on on-street parking

This is not a removal of off-street parking altogether, it is simply a way to allow the market to determine the number of parking spaces, rather than city councils. It is also important for cities to make sure they are properly managing on-street parking at the same time, by pricing it at market value.



# • This will cause spill-over due to not enough parking

The municipality has a range of tactics at its disposal to manage parking supply and avoid this, such as pay parking or time limits. However, there are no tools to manage a surplus of parking spaces. The switch to open option parking is one step towards thinking about on- and off-street parking as one system.

## • This means no parking will be supplied

This is actually just improving the choice and flexibility in how people use land. Change is very gradual, and it will happen as each development will provide slightly less parking. However, this will only happen if people decide to take advantage of it. For example, in cases where providing parking may not be economically viable, it is not illegal to build without it.

# • Parking is being taken away

Continually remind the community this is not taking anything away as much as it is providing more options and choices. This is not a prohibition on parking, since the same amount will be allowed; however, it is no longer an obligation.

# • Parking will only be provided if it is required

In their research, Edmonton interviewed industry members and found they would still provide either as much parking as they thought they could sell, or enough to meet their corporate standards.

#### Has anyone else done this?

Mexico City London, UK

### User group impacts

Developers, businesses, homeowners, renters

## 2. Key findings from relevant case studies

#### 2.1 success stories

Mexico City did a study on their previous policy, demographics, mobility indicators, parking supply and demand. They found the heart of supply and demand was located in the building codes through parking minimums, since they were automatically increasing the supply alongside the growth of residential and



commercial spaces. They also found, parking is understood as a public service, and the government is responsible for guaranteeing a space. Overall, they found a consistent surplus of spaces.

The approach was building by building, and it had no considerations of transit supply, on-street parking, or the neighbourhood.

#### 2.2. how concerns were resolved

- <u>Concerns from developers:</u> through their study, interviews with developers indicated they would be happy to build less parking if that was legally possible. Fewer parking spaces is less cost to developers.
- <u>Language</u>: Branding was really important here, and they made sure the message was: "less parking, more city".
- <u>Communications:</u> Lots of work with the media, including workshops, training, and interviews to make sure they understood the policy and when it was coming out instead of them going with the flow. They also gathered lots of research and case studies to discuss and share around.
- <u>Pushback from businesses:</u> Malls were the most difficult because they are
  often at capacity during Christmas. However, the retail space is changing and
  people are moving to online shopping, so the industry has to be prepared for
  any kind of shift.

## 2.3 Links to other briefing notes

#### 2.4 Network contacts

Parking maximums have not yet been implemented in any municipality in Canada. Questions could potentially go to Councillor Andrew Knack in Edmonton, as he has a comprehensive understanding of parking overall.

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