

A New Angle

Episode 102

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Justin Angle: This is A New Angle, a show about cool people, doing awesome things in and around Montana. I'm your host, Justin Angle. This show is supported by First Security Bank, Blackfoot Communications and the University of Montana College of Business.

Justin Angle: Hey, folks, welcome back and thanks for tuning in. Today is our June edition of Incentives and Instincts, a recurring series in which I speak with economist and friend Bryce Ward about some of the broader challenges facing our society. Bryce, how are you today?

Bryce Ward: Summer is upon us, which is good and bad.

Justin Angle: True. But one of the upsides is it's easier to park here on campus. Is that right?

Bryce Ward: That is true, absolutely. It was very easy to park today.

Justin Angle: And so speaking of parking, we got a listener inquiry, a listener suggestion a couple of weeks ago, that we should dig into parking. And it turns out parking is a pretty darn good topic and kind of right in line of what this series is all about. Most of us need it and we think that we should always have it, that it should be available, convenient and free. But probably very few of us have considered the many ways in which parking policies or lack thereof have shaped our cities and towns. And beyond that, parking is just one of those things that seems to bring out the worst in all of us. Kind of like airports. So, yeah, Bryce, why is parking interesting to you.

Bryce Ward: We've tried really hard to make parking abundant. We want it to be free. We don't want to pay for it. You want it to be available whenever I want it. And we have created a system that has tried to deliver on that for many decades.

Justin Angle: Let's press on that. We, for example, when you say we think just general citizens have this expectation that if we have a car, it kind of comes with this implicit availability of parking wherever we want to put that car.

Bryce Ward: Yeah, for whatever reason, we've allowed that to become the expected outcome, right. And suffering is the difference between expectation and reality, and so

is joy. Yeah. And when I expect to be able to park basically where I want, whenever I want, and then I can't, that's where it brings out the worst in us, right? You know, I mean, people literally get killed over parking spots, like, I hate parking. Everybody hates parking, everybody hates looking for parking. People have studied this, right? So you know this guy, Shoup. Shoup. Yeah. You know, like, you know.

Justin Angle: An economist.

Bryce Ward: He got some students and they basically kind of fanned out within the 15 blocks in the commercial area around UCLA like 20 years ago or something to clock how long they could track cars looking for parking. And so on average, they found that in that district during the day, it took three minutes of kind of circling around to find parking. Now, of course, that doesn't seem like very much, but when you're in during those three minutes, it feels very stressful, right? There's real anxiety. There's real discomfort with that. Here in Missoula, that is a pretty rare experience. You know, it's basically if you need to park on campus during the school year or if you're going to try and park downtown on Friday night, every other place, you can probably find parking.

Justin Angle: Take a community like Missoula and some of the other urban centers in Montana are facing this sort of painful realization that whether it's the average of three

minutes or some other number, that those are minutes that we have not typically found that we had to factor into our schedule, in our planning. I see this with students all the time. Oh, I didn't really plan for parking. And then the outrage gets, you know, directed at whatever entity seems to, you know, either have real or imagined control over the situation.

Bryce Ward: And if I knew it was going to be three minutes, then it would be fine.

Sure, I would expect three minutes, right? The problem with parking is that it's unknown, and that kind of variability is part of what drives the anxiety of it. Right. And then, you know, that's the internal thing that's going on inside of the person parking. But the reality is, is that those three minutes are imposing costs on all the rest of us. They're adding congestion to the road. They're adding pollution to the air. So there's all sorts of fraught things that go along with how we try and park and, you know, how abundant it is and what it costs to park. And, you know, both in terms of actual paying to park, but also just in terms of the time and the energy and the frustration that it brings out in the world. So, you know, all of those things are part of the cost of the system.

Justin Angle: Yeah. Let's go through and stick with the description for just a moment longer because some of these statistics are pretty compelling, detailed in a really

interesting new book by Henry Grabar called Paved Paradise, attributable to a Joni Mitchell song, I believe.

Bryce Ward: Big Yellow Taxi.

Justin Angle: Yeah. So, you know, one of the things you mentioned before, congestion turns out that studies have shown that in congested areas, about a third of the congestion is attributable to people looking for parking. So one in three cars moving through a busy downtown area is looking for a parking space that sort of illustrates the height of the dysfunction here.

Bryce Ward: When you pose this question to me, you know, I think one of the questions you posed was, well, why can I never find a parking spot? And the reality is, is that you can find a parking spot. You just can't find it when you want to because you, like everybody else, is looking for parking to do the same things at the same time. But, you know, at any given time in the country, something like 80% of parking spots are empty.

Justin Angle: 80% of somewhere between one and two billion spots.

Bryce Ward: Yeah, there's lots of parking available. It's just the question of is it available when and where you want it? Sure. And that's the problem because parking isn't very fungible. Like when it's not being used for parking, it's difficult to turn a parking spot into something else. The vision was back in the '50s, you know, or maybe even before was to try and create so much ample parking that, you know, you could always find a spot because people were in their cars and you wanted to be able to make sure that they could get where they want, particularly if you were a business. Ultimately, we codified it not just that the businesses chose to build the parking. The municipality said that if you're building this particular sized building for this particular use, thou shalt have this amount of parking.

Justin Angle: So it is in the code, right, if you are opening a restaurant, the code in various in almost any municipality will say this is how many parking spots per, whether it's square feet or number of tables or number, you're building capacity. But there is a relationship between the size of the business you are opening and the number of parking spots that you have to provide.

Bryce Ward: And it's just business. With a house, you have to have parking. This is what the system has wrought, right. You know, this is a knock on consequence of making cars abundant. Obviously, parking by itself is not desirable. It is a means to the

end. Parking is about getting to where I want to go. If getting where I want to go requires me to have a car, well then parking has to be there as well. Or at least I expect it to be there. And so yeah, it all kind of goes together. But, you know, it's not like I'm guessing if we assembled a random sample of Americans and we said, okay, we're starting over, you know, there's some big cities going to grow here because of whatever economic reason, and we're going to plan it out.

Justin Angle: You mean like Las Vegas? We decide we're going to have a city in the middle of the desert. We're going to start anew.

Bryce Ward: We're going to start anew. I don't think what would come out of any reasonable discussion would be a system that looks like the one that we have embedded, particularly given what we know now.

Justin Angle: Basically, you're insinuating or stating that if you looked at any urban area, the number of cars occupying the sides of streets, it just seems, you know, if we were starting from scratch, that would just be an absurd proposition.

Bryce Ward: I just think that if we were designing things from scratch today, we would do it differently and in part we would do it because we have some technology we

didn't have to make more efficient use of whatever spaces we wanted to create. But like, you know, I think the reality is, is that if you're just saying, Well yeah, like most of the time, most of the spots are empty. And, you know, frequently even many of the spots in high demand places are empty. Right? Like on campus, there are reserved spots. And, you know, if you go downtown Missoula, you know, frequently there are parts of lots and, you know, whatever, it's Friday night. But you can tell this is probably a spot for somebody who's there during the day. And yet it still has a sign saying that you can't park, you can't park here.

Justin Angle: Reserved for some law office or for a bank that you know, is closed.

Bryce Ward: There's just this lack of imagination about how do we share, you know, how do we figure out the right number of spaces? How do we price it accordingly and then let the rest of the system evolve based on the availability of the parking? Because what will happen is people will go, oh, I don't want to pay to park. More people would say, well, can we build more housing? Near all the things that I want to go to. I mean, I like I lived in, you know, not in Boston proper, but in the Boston metro area for seven years. I didn't have a car. I walked everywhere. It was great. It was fine.

Justin Angle: And having a car in a city like Boston is onerous. And it is very expensive.

Bryce Ward: You know, In fact, there's a city in Florida which took Shoup to heart. Early on or, you know, even maybe in a predecessor because it was a plan kind of develop in a recent town, right. So when it was built, it was built to be walkable. It was built to be you don't need a car. You know, most people, you know, I think at some point when people studied this, like, you know, people that lived in that town were getting in their car on average once a day, whereas I think an average suburbanite that might it's like seven times a day.

Justin Angle: Seven times a day, wow.

Bryce Ward: The problem was, is that it's walkable, dense, you know, lots of, you know, shops, all that kind of stuff, its a beach town as well. But like, it became so desirable that people from everywhere else tried to go there. Oh, yeah. To enjoy the amenities that they had created, and so then they had a parking problem. So then they took Shoup to heart actually recently and actually reduced parking, but priced it much higher. Pricing works, right?

Justin Angle: Right. Yeah. So let's draw up pricing. When it comes to pricing, generally speaking, parking in garages is overpriced and parking on the street, curbside parking, is underpriced. Does that jibe with your read of the data?

Bryce Ward: Well, yeah. I mean, the garage parking, you've got to pay for the infrastructure of it. And, you know, the rate of return on whoever paid to build it. Municipal street parking, the insight behind a parking meter was in a city who takes all the choice parking spots? The person who gets there earliest. And who's that? Well, that's the commuter. So you have all the spots in front of all the businesses being taken by somebody who's going to park there all day.

Justin Angle: All day.

Bryce Ward: Right. And so the inside of the parking meter was exactly this. Well, we should price it, and then the commuter will move further out and will leave the spots that are cycling, you know, for the people that are coming in and out of the things that are going on here. And, you know, that will be a better outcome. It sort of works. Problem is, is that in most municipalities, like parking meters are now almost trivially cheap, so it doesn't really matter. Now some places then instead of restricting it by just

pricing it, they then you know, said, well, this meter only allows you to park for two hours or 30 minutes.

Justin Angle: They time cap it.

Bryce Ward: They just time cap it. And again, you know, look, I don't love markets and everything, but I'm totally fine with markets and parking. I would love to see that technology or phone technology or whatever it is. Let's just put a sensor on every single parking spot. And, you know, we can now have surge pricing. We can, you know, variably price it. Oh, it's the busy time, like, great. You know, if you want to park here, pay more. People respond to incentives. You know, sometimes you think it's unfair. You know, because people with more money can access it. But this isn't the way to solve the problem to, you know, enough other problems for other people are created by the absurdity of our parking system. In terms of congestion on the road, pollution in the air, whatever the unfairness is and how parking spots are currently allocated, that it just makes a ton of sense to take your reserved parking spot and have you reserve it for times when you want it, and then you could release it for times when you knew you weren't going to be there, right? And, you know, in theory, you could create some sort of sharing arrangement where you got a discount whenever you released it. You know, you look wouldn't it be great if you could get online when you leave the house and say,

hey, where's a parking spot? Because they'd all be linked. Yeah. You know, and be like, great, I'm going to reserve that one. In theory, we could also design technology that, like, you know, if somebody else park so that doesn't have your ID signal or whatever it is that alerts the traffic police that, you know, oop somebody is parking where they are not supposed to be parking. You know, they haven't paid for this. Bing! You know, automatically ding them. You know, there's just we have so much, ability to make more efficient use of our parking. And that's the first step, right? Is make it so that it is more efficiently used, and then we can start saying, well, gosh, it turns out that this parking here is just not that useful. But, you know, at the margins, you start basically saying, well, gosh, it turns out that all we really need for this little set of businesses is a parking lot just right over there of this size. You know, because it peaks here, you know, you just figure out the peaks and the valleys as opposed to what we've tried to do, which is mandate parking that is so abundant that it's always available or, you know, I mean, look, the only time that it's hard to really park in like a big shopping center is like at Christmas. Like, you know, you might have to walk a little ways. But the notion that there's no parking. No, it's almost never it's almost never the case, right? And, you know, and the other part of, you know, trying to get away from regulating parking is because it's a means of restricting other things that we like, like housing.

Justin Angle: We'll be back to my conversation with Bryce Ward after this short break.

Justin Angle: Welcome back to A New Angle. I'm here with Bryce Ward discussing the effects of parking on our cities. We have a lot of means at our disposal to make the current system operate better. To create better outcomes for people, more fair pricing, etc., more efficiencies. But that's within the current system. The current system, as it is designed, however, still is designed to provide. It's designed around the expectation of parking. And because we have that expectation, it crowds out other things. Housing being one of those things.

Bryce Ward: In many places it is a requirement that you have a certain number of parking spots per housing unit.

Justin Angle: Yeah.

Bryce Ward: And as such, it's a way of people restricting who lives in the neighborhood. It is a weapon that you can use to file a lawsuit to say, I don't want affordable housing in my neighborhood. I don't want those people to live here.

Justin Angle: Yeah. So it's sort of a weapon that or it's code for a form of class warfare.

Bryce Ward: Yeah, you know, it's just a means to make it so that housing is scarce and parking is abundant and, you know, and that it just then it makes it easier to own a car. It makes it easier then to, you know, build a system that's entirely predicated around driving. You know, and as we talked about the last two months, you know, driving is the source of at least a large portion of our excess deaths in the United States, right? I think I saw a paper recently on just how good living in a walkable neighborhood is for your health.

Justin Angle: Oh, interesting.

Bryce Ward: You know, not surprising, that when you live someplace where you walk a lot, you know, you're just getting your exercise without having to basically make it an exercise. Right? It's like, well, I have to walk to here and I walk to there and getting those 10,000 steps or whatever it is you're trying to get to, it just happens, right? Lots of people like space, you know, it's not something that we want to say nobody can have a car and nobody can live in a low density suburb. But to the extent that we have intentionally regulated density out of the world, you know, let people figure out what they want. And if people want to live in dense, walkable areas, it should be easier to provide that.

Justin Angle: I want to kind of ground this a little bit more in the Montana experience.

You know, a lot of the studies, a lot of the policies that are described often are constructed in dense urban environments. Los Angeles, New York. The urban centers in Montana are kind of experiencing a form of growth where, you know, my sense is that they're transitioning from a feeling that parking was, you know, available, convenient and free most when it whenever it was most commonly needed to oh wait, it's now a scarce resource that I have to think about. I have to build in. I have to, you know, I hear people saying, I'm not going to go do that thing because there's no parking available. So there is some sort of a growth factor in cities like Missoula and other places around Montana that, you know, it sort of transitions into a zone where we have to think more carefully about how we create regulations around parking, but then how we then price it and then do we bring in the technology and the other solutions that you proposed before. But like given that changing so many of the underlying structures and assumptions of how our cities work would be very difficult, how do we, in a place like Missoula or in Billings or Bozeman and places that are growing, how do we calibrate our policies better?

Bryce Ward: I mean, I think it's all the same stuff. You know, the reality is just, look, parking is relatively abundant here. The most annoying to get is like, oh, it's minus ten. And oh, I have to now walk like two blocks, right? Whereas right now, you know, if I'm

trying to go pick something up downtown, it's like, oh, I got to walk a blogger. Who cares? But, you know, I mean, look, the reality is, is that, you know, even, there are points of parking congestion even in the communities in Montana. There are times, you know, peak times of day, peak times of the year, days of the week. You know, that could benefit from more efficient use of space. And to the extent that we're still imposing parking minimums... Now, why do we have parking minimums? So part of the reason why we have parking minimums is because of free rider problems. Which is well, I'm a store and I built a bunch of parking thinking that this was going to be the thing that I was going to make sure that my customers had parking. And then all of a sudden, these people that want to go to the place across the street or next door while they see my empty parking lot and they choose to park there. And then, you know, my customers can't park here. And it's a big hassle to enforce whether or not you went where and all that kind of stuff. You know, again, that's where technology can be useful. It can, you know, if you had a private lot, then now you could tie it to your phone coming from your car and into your store. But, you know, more ideally, we would just again say, great, well, how much do you need and how much does the area need? And we would be able to kind of adjust the market for it in ways that would make more sense. But, in an ideal world, we wouldn't need, we no longer need to try and solve the free rider problem by mandating everybody provide peak level parking.

Justin Angle: Yeah, it seems like a crude tool to solve that problem.

Bryce Ward: But wouldn't it be better if we had some means of economizing parking and allocating it in ways that, you know, allow us to use more of that space for productive things as opposed to parking lots that sit empty most of the time.

Justin Angle: Yeah. Seems like an area where we either need to go, we either need to more fully embrace a market driven system or create better policy. But this sort of hybrid reality that we have is not so functional.

Bryce Ward: Well, and, you know, in a reality that is still largely built around, you know, the policies and the mindset were, they're really from kind of early days of the automobile. Yeah, it's still very much like, oh, we want to live in a car driven society, isn't that great? As opposed to where I think we are now, which is that we're trapped in a car dependent society and we like our cars for certain things, but this seems trivial. But even architecture, right? American houses are ugly because of the prominence of a garage.

Justin Angle: Hmm.

Bryce Ward: And they are anti-social because they are built to make the garage.

Because that's what faces the street.

Justin Angle: Sure.

Bryce Ward: The thing that is most prominent on the street, you know, and, you know, and particularly in places like Montana, where, you know, not only are garages prominent, but garages are frequently three cars.

Justin Angle: Yeah. Yeah.

Bryce Ward: If that's what people want, there should be communities for that. But to the extent that at least some of this is regulatory. Well, I have to provide off street parking. You know, that's a requirement, like you know, I cannot build the house. I cannot do whatever.

Justin Angle: That is part of the rules. You got to do it. And it has those consequences,.

Bryce Ward: Then, well, it's got to be off street, so it's got to be able to get to the street. And, you know, look, there are elegant solutions and alleys and all that kind of

stuff, but they're hard to pull off and for a lot of reasons, right? So what happens? Well, the easiest thing is I just pull right off the street, right into my driveway and there's my garage or whatever it is. And now it's taking, you know, a big portion of whatever house that I'm dealing with. And that means that now my house has got to be set back. You know, I can't have a big front porch that's just, you know, we're all on our front porches talking to each other. You know, what you see in old neighborhoods, right? You know, I mean, why do people like Europe? It's not because they want to go look at stained glass in churches.

Justin Angle: That's a controversial claim Bryce.

Bryce Ward: You know, like, honestly, when I think about what is it I like about Europe, a lot of times it's just I like the density, right? I like the fact that there's just this energy and, you know, we're going to go sit in the piazza and, you know, I don't drink coffee, but in theory, drink coffee. You just kind of walk places. And, you know, everybody in Europe drives a moped. That's how they get around, because, you know, they don't have space to you know, it's a smart car or a moped. You know, you're walking around like Old Town Lisbon or, you know, the old parts of Rome. You don't see big cars except for in places where they've kind of carved out stuff. People drive tiny little cars and they drive mopeds or motorcycles.

Justin Angle: That was the scarce resource space. Whereas here in Montana and, you know, most of North America, space was not the scarce resource. And we're sort of living with the consequences. That's not to say I think you and I would agree that we don't want Montana to become Europe. However, I think that some of our cities could be more European in their design and maybe have a consequence of preserving more of Montana to be the way a lot of us like it.

Bryce Ward: Yeah, we should. The last thing I want is people not making trips downtown because they can't park, right? I want you congregating with other humans. I want you in social spaces and spaces where you bump into other people. You know, I want you to come downtown. You know, I just, but to do that, we need to figure out how to make efficient use of parking, efficient use of our space and focus the attention where there really is scarcity, try and maximize that efficiency. But for far too long, we've tried to solve parking issues on the supply side. There is room for demand side policy. There's room for things to change, how we approach the spaces, to change how we live and how we, you know, in across space so that, you know, to the extent that people you know, I'm not saying that we want to ban parking. I'm saying that it should be less of a regulatory choice requirement. Because we frequently focus just on that, you know, those unpleasant three minutes of searching for a parking spot, we lose

sight of the full big picture. You know, we lose sight of the trade offs that we're dealing with in terms of all the rest of our lives. And, you know, some of them are really hard to quantify, like just where yeah, there's more particulate matter in the air. And what does that do to me? I just think we have to be... Take a larger, a bigger picture view, except that most people near like some percentage of people, will always hate this. You know, so it makes it hard to make changes in the space. You know, like pricing, just literally just putting prices on parking that are like, you know, market prices. People hate it. But my guess is that this is the kind of thing that people actually would adjust to pretty quickly, like the vast majority. And so letting the vocal minority and then the rest of us who were kind of squeamish about it, you know, and that comes from the fact that we just don't appreciate all of the stuff that's on the other side. Maybe you would have better access to parking when you wanted it, right? If we were doing it more efficiently and we were developing principles around game days and soccer tournaments or wherever it is that, you know, you have real parking congestion. You know, if we had better systems both technologically, but also just better incentives. I'm guessing we would be like, gosh, this is which is just better, right? You know, like yeah, there's some times that it annoys me. But, you know, if you kind of say, well, look, if we aggregated up all the benefits, my guess is that we would end up someplace that is better than where we are now, which is, yeah, kind of this ad hoc, frustrating system which is super inefficient.

Justin Angle: Well, that seems like a good place to park it. Sorry, couldn't avoid that one. But anyway, this conversation was motivated by a listener question in a listener email and keep those comments coming. If there's topics that are interesting to you, let us know. You can contact us through our social media feed A New Angle Pod, reach out, let us know what you're interested in, and we'll try our best to unpack it. Bryce, thanks, as always.

Bryce Ward: Thanks again.

Justin Angle: Thanks for listening to A New Angle. We really appreciate it. And we're coming to you from Studio 49, a generous gift from UM alums, Michelle and Lauren Hansen. A New Angle is presented by First Security Bank, Blackfoot Communications and the University of Montana College of Business, with additional support from Consolidated Electrical Distributors, Drum Coffee and Montana Public Radio. Keely Larson is our producer. VTO Jeff Amentt and John Wicks made our music, editing by Nick Mott, social media by Aj Williams and Jeff Meese is our master of all things sound. Thanks a lot and see you next time.