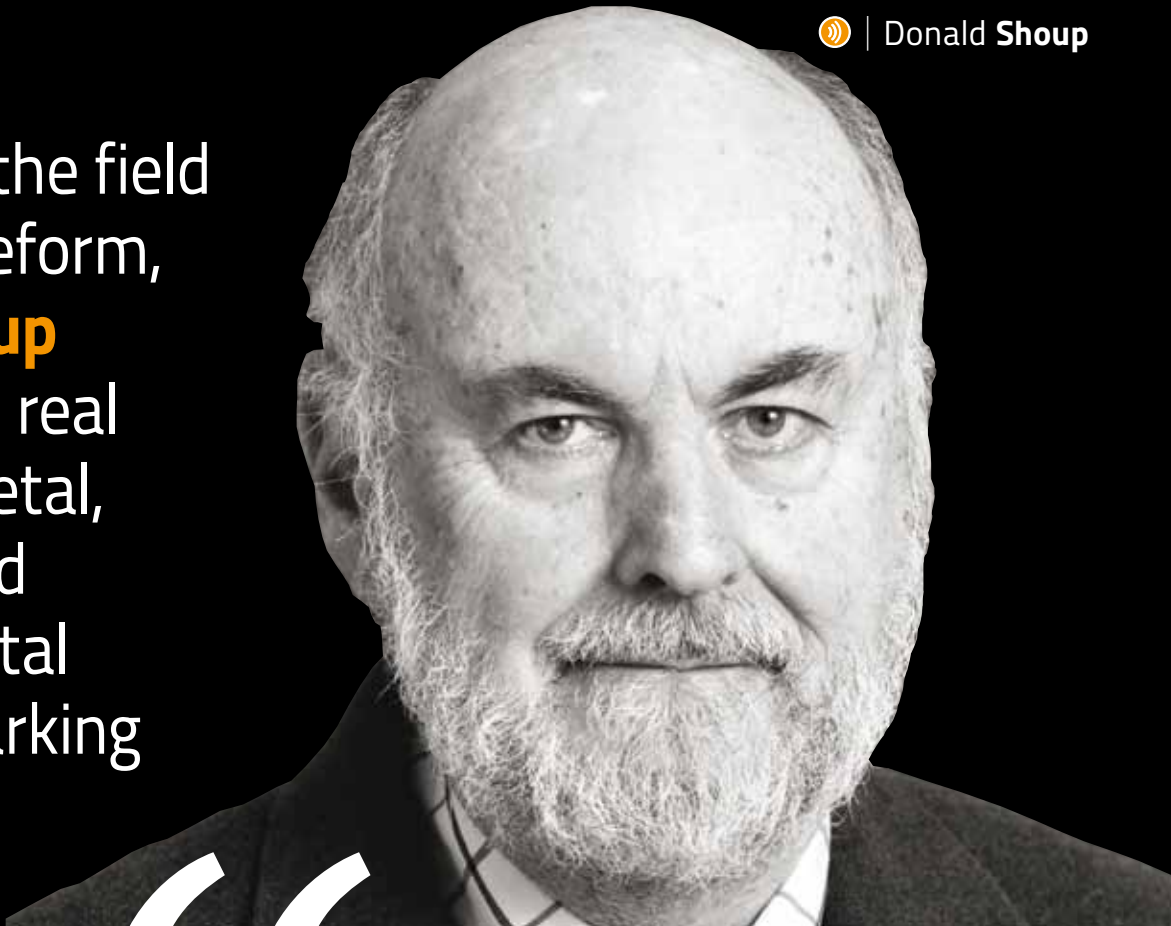


A legend in the field of parking reform, **Donald Shoup** explains the real costs – societal, financial, and environmental – of ‘free’ parking

Interviewed by Louise Smyth



On-street parking undoubtedly has a major impact on traffic management, with an oft-quoted statistic suggesting 30% or more of traffic in our built-up areas is caused by drivers circling around looking for a parking space. Yet around the world, this is a part of traffic management that has been consistently neglected by urban planners and traffic managers alike. There is one man, however, who recognized the importance of the parking/traffic relationship many years ago, spent decades offering suggestions as to how to improve the situation, and whose work is finally being vindicated. Donald Shoup is UCLA's Professor of Urban Planning.

The title of Shoup's seminal 2005 book, *The High Cost of Free Parking* (updated in its 2011 paperback edition) provides an indication of the central tenet to much of his work, which is simply the essential need for drivers to pay a fair price for parking – and the problems we've caused ourselves as a result of not doing so.

The mis-management of parking

Armed with both engineering and economics qualifications, Shoup is in the perfect position to offer a sound opinion on this issue: "Engineering is about problem-solving in many ways and I think parking is a big problem," he says. "On the economics side, parking affects the economy in so



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many ways – and yet it is so mis-managed. One of the things economists always advise for any problem is to 'get the prices right', and I don't think there is any part of transportation where the prices are so wrong as they are in parking."

Shoup's point is that although we may park for free when visiting friends, going shopping or while at work, the parking is not actually free – it's absorbed or hidden by other costs. "When you rent an apartment in a new building, usually one or two parking spaces come with it," he says, illustrating a prime example. So the cost of parking is hidden in the cost of housing?

"Yes, this has two bad outcomes: it raises the price of housing and it hides the cost of parking – so you think that parking is free, which is an encouragement to have a car and drive everywhere you go.

"We have free parking for cars and expensive housing for people. We've got our priorities the wrong way around! And we expect planners and transportation engineers to be able to tell us how much

parking we need when they really don't know – they have no training in estimating the demand for parking and they have no idea how much it costs – the costs vary enormously from one place to another. If you're out on a farm, it's potentially free but if you're in a city, the space generally costs more than the car parked in it!"

Shoup's theory is that an 85% occupancy rate of on-street parking spaces is what to aim for to avoid the congestion caused when the spaces are over 85% full – when drivers have to circle around looking for a free space. To achieve this occupancy rate requires variable pricing in the same model we see in high-occupancy toll lanes or other areas of transportation, such as public transit. Higher prices at peak times, lower prices at quieter times, and prices varied by location.

The theories are not hard to understand, nor are they truly controversial – Shoup's merely saying we should pay for what we use. But how do we reconcile that with the already crippling expensive cost of running a car today? It's surely an uphill

struggle to convince the general public that they ought to pay to park something that's already draining their finances? "Right: it is expensive to drive, but we pay for everything else – gasoline, tires, insurance, and so on. We pay for everything except parking," says a frustrated Shoup.

"But I have given up trying to convince people that they ought to pay for parking. Where it's more successful is to convince people that they ought to *charge* for parking. What's breaking the logjam here in the USA is that some cities are now telling neighborhoods and business districts that if they want to charge for curb parking at the right price, the city will put in parking meters and spend all of the revenue for added public services on those streets with the meters. So if a street has meters, it will get services, such as extra street cleaning and sidewalk repair, tree planting, and police protection. Basically, when someone feeds one of those meters, it comes right out the other side in the form of public services! They are offered a choice: free parking and the services they now have or market-priced curb parking and all the money for public services. The cities that offer this find that neighborhoods begin to think about parking differently. For them, it's like putting a cash register out on the curb – and the extra revenue is a real incentive."

Pilot project

A city that's embraced Shoup's approach is San Francisco, whose SFpark pilot project is receiving wide acclaim both in the international media and indeed on the newly metered, dynamically priced streets themselves. Although too early for official results (these are expected later in 2012), it

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SFpark collects and distributes real-time data about where parking is available so drivers can quickly find open spaces

does appear SFpark will be a fine proof of Shoup's concept. The only slightly controversial thing about it is that it's using US\$20 million of USDOT funding – anything that spends Federal money in today's climate is subject to scrutiny and quite often a chorus of disapproval. But Shoup feels the scheme is a very good use of USDOT dollars: "For the price of subsidizing one parking garage in San Francisco, they're paying for an experiment that could change the world," he insists.

However, playing devil's advocate for a moment, is there an argument to suggest that on-street parking could simply be better managed via technologies such as parking guidance systems and smartphone apps that tell drivers where vacant spaces are, without the need to charge for parking at all? Shoup thinks not. "It might help a little bit, but if all the spaces are full, what good is it to know they're all full? It would be much better if we could count on there being a vacant space wherever we want to go, instead of having to look at our iPhones and say 'I see a space six blocks over' and it being gone by the time you get there. It's better to use technology to manage parking rather than the shortage of parking.

"Free parking is not better than the alternative, which is to charge the lowest price you can and still have one or two open spaces on every block."

Now aged 73, Shoup has had plenty of time to observe the decline into the current malaise. And he thinks in 50 years' time, we'll cast our minds back in disbelief at this era. "We'll reflect upon it all and say 'My God, what were these people doing? They had some of the most valuable land on earth and they gave it away free to cars and wondered why they had congestion'.

"Everybody says that the invention of the cash register transformed commerce and I think the invention of today's new parking technologies will do the same for urban transportation. I think we'll look back at the evolution of technologies such as occupancy sensors, multi-space meters that charge different prices at different times, cashless payment, and payment by cell phone and realize that this technology transformed urban transportation." ○

The hidden cost of free parking

Requiring Peter to pay for Paul's parking, and Paul to pay for Peter's parking was a bad idea, according to Donald Shoup. "People should pay for their own parking, just as they pay for their own cars, tires, and fuel. Parking requirements hide the cost of parking, but they cannot make it go away. They have misshaped our cities into motor-friendly, sprawling agglomerations – almost without planners noticing it."

According to Shoup, free parking often means fully subsidized parking. Paradigm shifts in urban planning are

often barely noticeable while they are happening. More often than not they take the form of a quiet revolution. "And a quiet revolution is probably what we are witnessing right now," he says. "Of course, all parking is political, but this political background may actually provide fertile soil for a reform of parking policies."

Charging performance prices for on-street parking, spending the revenue for local public services, and removing off-street parking requirements will achieve the goals of almost all interest

groups. Different people can support performance parking policies for very different reasons: because they increase local public spending without increasing taxes or because they reduce government regulation, cut energy consumption, air pollution and carbon emissions, unburden enterprise, and enable people to live at high density without being overrun by cars. "There are many good reasons to reform parking policies – what we need now is the will to do it," Shoup concludes. "Parking wants to be paid for."