

Policy Statement on Car Parking within Proposed Residential Developments

PRELIMINARY SUBCOMMITTEE DISCUSSION DRAFT

Chapel Hill Planning Commission

February 2023

Pending future changes to the Land Use Management Ordinance, the Planning Commission (PC) has developed the following three principles to guide, on an interim basis, its consideration of parking aspects of future conditional rezoning applications for residential development.

Principle 1: The PC welcomes development proposals that contain less car parking than required under the current Town code.

- Commentary
 - In recent years, the role of minimum parking requirements in inflating housing cost, incentivizing driving, and impeding beneficial development has become more widely understood. For a general introduction, see [this piece](#) by [Donald Shoup](#).
 - Such requirements can be waived in the conditional rezoning process.
 - Minimum parking requirements work against the Town’s complete community strategy by discouraging the most bike-, pedestrian-, and transit-oriented development.
 - Even without minimum parking requirements, developers typically have strong economic incentives to provide sufficient parking.
 - Dozens of North American cities of various sizes have abolished parking minimums, including peer cities such as Raleigh and Ann Arbor (both in 2022), and many others are considering it. (The detailed policy analyses assembled by Raleigh’s planning department on this issue are especially thorough and well worth reading. See [here](#) and [here](#).) The non-profit Parking Reform Network maintains a [map](#) (with detailed citations) of North American cities with no minimum parking requirements. We are aware of no city that has subsequently re-instituted parking minimums after removing them.
 - Abolishing parking minimums appears to be consistent with likely future recommendations for the Town’s transit-oriented development planning, according to informal conversations with consultants currently assisting the Town in this area.

Principle 2: The PC generally disfavors car parking in excess of the minimums provided in the 2023 version of the Town code (excerpted below). For townhouses, the PC believes that the new maximums proposed by Town staff in the proposal titled “Housing Choices for a Complete Community” are appropriate (i.e., 1 per dwelling unit in Town Center zones and 2 per dwelling unit elsewhere). For purposes of these benchmarks, the PC counts all forms of private parking within a development – including garage spots, driveway parking capacity, internal street parking, and designated “guest” parking – as parking. However, the PC does not count dedicated car-share spots toward the total.

- Excerpt from 2023 version of Town code:

Use		Vehicular Parking				Bicycle Parking
		Town Center Zoning Districts		Non Town Center Zoning Districts*		
Dwelling, Duplex** or multi-family	Efficiency	N/A	1 per dwelling unit	1 per dwelling unit	1.25 per dwelling unit	1 per 4 dwelling units
	1 bedrooms	N/A	1 per dwelling unit	1 per dwelling unit	1.25 per dwelling unit	
	2 bedrooms	N/A	1.25 per dwelling unit	1.4 per dwelling unit	1.75 per dwelling unit	
	3 bedrooms	N/A	1.5 per dwelling unit	1.75 per dwelling unit	2.25 per dwelling unit	
	4 or more bedrooms	N/A	1.67 per dwelling unit	2 per dwelling unit	2.5 per dwelling unit	

** For a duplex, no minimum vehicular parking requirement shall apply and for the purposes of calculating the maximum number of vehicular parking spaces, garage spaces and the driveway are not to be counted.

- Commentary:
 - The existing minimums were originally intended to ensure enough parking. By implication, additional parking beyond these minimums would be more than enough. Over-abundant parking risks undermining the Town’s investments in alternative transportation (functional greenways, bus transit), as well as its commitment to increase development density without proportionately increasing automobile traffic. The success of the Town’s alternative transportation strategy depends not only on expeditious development of extensive greenway and bus infrastructure, but also on a willingness to stop prioritizing convenience of drivers in development and land use decisions.
 - As shown in the Parking Reform Network’s [map](#), numerous municipalities have moved beyond parking minimums by converting their previous minimums to maximums. This is Donald Shoup’s standard advice to municipalities, which he also provided directly to the PC in response to its recent request for advice.
 - Town staff’s newly-proposed townhouse parking maximum requirement aligns with the current minimum for 4-bedroom multi-family dwellings (outside of Town Center zoning districts, where no minimum applies). In our view, this standard is reasonable enough to also serve as a maximum guideline for purposes of this policy statement.

- Currently the Town code does not specify how to count parking spaces for purposes of determining compliance. Principle 2 clarifies the PC's preferred counting approach. More liberal approaches, such as excluding garages or driveway pads underneath individual townhouses (based on the possibility that residents might use the garage for storage), or excluding designated guest parking, ultimately undermine the policy objectives described in the commentary to Principle 1.
- One way for developers to decrease parking while serving the needs of residents who may need periodic access to a car is to provide car sharing services as an amenity. See, e.g., [Envoy](#).

Principle 3: Development proposals should minimize bundling of parking costs with unit costs. Where parking is provided centrally (i.e., common garage, internal street or lot, specific offsite location), its cost should be decoupled from the purchase or rental cost of dwellings. Where parking is physically attached to specific units (e.g., garages or driveways under townhouses), it generally should not exceed one spot per unit, measured according to Principle 2. Any additional parking should be provided centrally and unbundled.

- *Commentary:*
 - *Separating the cost of parking from the cost of housing decreases incentives to own multiple (or any) cars. In the same vein, it enables residents who cannot afford multiple (or any) cars, or otherwise choose to rely on alternative transportation, to avoid paying for car storage they do not want. For these reasons, unbundled parking has become an [important policy tool](#) for cities interested in transit-oriented development, as well as housing affordability.*
 - *Unbundling can be accomplished either by excluding parking cost from the base cost of housing (purchase cost or rent), or by offering discounts to residents who fully or partially opt out of the standard parking allotment.*
 - *The Council has already begun to negotiate for unbundled parking on a project-by-project basis (see, e.g., Aura).*
 - *For purposes of unbundling, the cost assigned to a parking space should be reasonably proportionate to (or greater than) its true cost. We understand that it may be impossible to determine this cost precisely, but developers should be prepared to explain their cost estimates.*
 - *For designated "affordable" units within a proposed development, it may be appropriate to provide parking discounts commensurate with the effective housing cost discount.*

Common Objections

Two common objections merit further comment.

First, some have asserted that the underdeveloped state of the Town's alternative transportation network makes it premature, impractical, or unfair to impose restrictive parking policies at this time. We disagree. As an initial matter, Principle 1 is permissive, not restrictive. The fact that a private developer has proposed a low parking ratio creates a strong presumption that more parking is not needed.

The concern also misses the mark as applied to Principle 2. As mentioned, the minimum parking ratios contained in the 2023 version of the Land Use Management Ordinance represent the Town's estimation of minimally adequate parking for each project. These minimum thresholds predate the Town's adoption of a complete community strategy. If the Town is serious about alternative transportation, minimally adequate parking should be sufficient even in the short term (and potentially excessive as the Town continues its transit-oriented development).

A variant of this concern postulates that the economics of development, including bank lending standards, may not yet support lower-parked development in Chapel Hill. We have seen no evidence that this is generally true. On the other hand, recently-approved projects such as Aura and 110 Jay Street appear to comply with this policy statement. Another recently-approved project, 710 N. Estes Drive, appears to come close. That said, if the facts and circumstances of a specific development proposal suggest that Principle 2 is infeasible, the PC can override it. Principle 2 only states a general presumption.

The concern about economic feasibility also points toward the need to focus new development in areas where it can be oriented toward alternative transportation. Lack of consumer demand for units in a given neighborhood that comply with Principle 2 may indicate that the neighborhood requires more public investment in multi-modal transportation infrastructure, and more walkable amenities (parks, gathering places), before up-zoning makes sense. Developments approved today will persist for many decades. Meanwhile, the Town's inventory of large, easily-developable tracts is dwindling. According to Rod Stevens of Business Street, approximately 60% of Chapel Hill's remaining developable land is already covered by proposals in the development pipeline.¹ Continuing to settle for car-centric projects will undermine the Town's long term transportation strategy, not only by increasing the convenience of driving, but also by adversely selecting against residents who are most likely to use, or who economically are most in need of, the alternative transportation network being developed. The Town can avoid this fate and secure better long-term outcomes through careful planning today. Ms. Keesmaat's familiar admonition against "density for the sake of density" seems relevant here.

The second concern relates to spillover effects on street parking in surrounding neighborhoods. The PC shares this concern. Zoned parking provides an effective solution. The PC encourages the Town to set up a special mechanism, including specific standards, for neighborhoods concerned about scarcity of street parking to request a zoned parking regime. (We are not aware of any such mechanism or standards today.) The regime should provide existing residents preferential access to parking permits (e.g., through free or discounted pricing, or by adjusting the cost or quantity of permits issued to future residents in proportion to parking availability). The Town also must ensure effective enforcement. The PC believes this approach to spillover effects is more compatible with the complete community vision than alternative approaches involving minimum parking requirements or more liberal parking maximums. [This document](#) from Raleigh's planning department considers the spillover problem in more detail, starting on page 5.

¹ See Business Street, "Complete Communities Trade-off Analysis," December 8, 2022, first sentence and accompanying footnote.