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# Michigan Should Eliminate Parking Mandates

## In a Nutshell

- Municipal parking mandates were widely adopted in the mid-twentieth century. These laws were meant to ensure that homes and businesses have sufficient off-street parking.
- It has become clear that parking mandates do more harm than good, increasing development costs and removing high-value real estate from more productive uses.
- Michigan can encourage sustainable development, decrease housing costs, and generally encourage healthier, more livable communities by repealing parking mandates and employing market-based principles to manage public parking.

Michigan’s population has been stagnant for decades, with growth rates lagging every U.S. state except West Virginia. In 2023, the Growing Michigan Together Council released a report with recommendations to put Michigan on a path to economic prosperity. One of the Council’s three core strategies is to “create thriving, resilient communities that are magnets for young talent.”

To implement this strategy, the council suggestions include developing desirable housing and public transit. Yet, most of Michigan’s municipalities maintain a policy that precludes the development of desirable, affordable housing, as well as functional public transit: parking mandates.

## Parking Mandates 101

Parking mandates became common in the United States as part of a mid-twentieth-century revolution in urban planning that emphasized travel by automobile, along with expansive highway construction and road widening. As automobiles grew in popularity, city planners observed that demand for parking spaces often exceeded available on-street parking. This contributed to traffic congestion (as people drove around searching for parking) and frequent conflicts between residents and visitors. To address the growing demand for parking spaces, local governments adopted rules for new developments and businesses that required the property owner to provide enough private off-street parking to serve the customers or users of the space.

Parking mandates are set through a basic three-step process:

1. Identify and categorize the land use (e.g., office building, bowling alley, restaurant, etc.).
2. Select the basis for the requirement (e.g., gross floor area, number of bowling lanes, number of employees, fire code maximum occupancy, etc.).
3. Establish how many parking spaces to require per unit of the basis.

For example, a city may require that a sit-down restaurant would need to offer ten parking spaces for every 1,000 square feet of gross floor area. Alternatively, a city might set requirements based on the number of employees, occupancy capacity, or some combination of these factors.

While this process has a veneer of rational policy, the resulting mandates are not based on any reliable data or cost:benefit analyses. The approach to determining minimum parking requirements has been described by the economist and parking scholar Donald Shoup as unscientific and deeply flawed.

Regardless of the specific approach, the outcome is that private property cannot be redeveloped or repurposed without meeting municipal parking mandates.

## Impacts of Parking Mandates

Ensuring that there is enough parking to meet the demand created by a land-use sounds like a reasonable goal. But the devil is in the details.

It has become widely accepted by both professional planners and the parking industry that parking mandates do more harm than good. The detrimental unintended consequences of parking mandates include the following:

### Increased Cost of Living

Parking mandates are typically established with an assumption that enough free parking should be provided to meet peak demand for a particular land use in an area where everybody conducts every trip by automobile. This peak demand, if ever met, may occur for only a few hours each year, leaving the code-mandated lot half-empty for most of the time. Furthermore, predicting peak demand is not straightforward. Planners and politicians typically want to avoid adopting policies that might create a parking shortage, so the rules tend to be conservative – requiring more parking than is ever necessary. Many lots are never used to capacity.

The cost of free parking is hidden in the inflated costs of myriad goods and services we consume every day.

While parking in these lots is typically “free,” providing that parking is not. The cost of the land and infrastructure to provide free parking is bundled into the services provided by the land use. For example, an apartment complex may be required to provide one parking space for each bedroom. Residents may park for free, but the cost of that parking increases the rent that they must pay, regardless of whether they use it or not. Patrons of a restaurant absorb the cost of free parking in their bill, even if they arrive on foot. The cost of free parking is hidden in the inflated costs of myriad goods and services we consume every day.

### Arrested Development of Communities and Neighborhoods

The most detrimental consequence of parking mandates is that the space allocated to parking becomes unavailable for more desirable uses.

Imagine an urban area that you enjoy – the kind of cityscape where people would desire to live and visit. You may be picturing row houses hugging tree-lined streets, eclectic shops along a village main street, or a vibrant central business with tall office buildings interspersed by high-end apartments and unique restaurants. Whatever the case, you are likely picturing a neighborhood that was built out before the adoption of parking mandates.

Parking mandates often preclude cities from developing in a way that results in an attractive, desirable urban environment. It is not uncommon for parking mandates to require more space for parking than the floor space of the building that the parking serves. As a result, each new development stands alone within an asphalt dead zone.

Parking mandates greatly contributed to suburban sprawl. Moreover, parking mandates force the de-evolution of established urban neighborhoods into a quasi-suburban landform. Under most policies, if a landowner wants to demolish and redevelop an existing parcel, or even change the use of an existing parcel, they would need to meet modern parking minimums. After several decades of this, many previously vibrant urban neighborhoods have gradually transitioned into vast parking lots.

## Environmental Impact

Parking lots are covered by impermeable pavement. This prevents infiltration of stormwater and creates runoff that can contribute to surface flooding and water pollution. Additionally, the predominance of pavement in an area is directly related to the “urban heat island effect,” which substantially increases local surface temperatures as well as ground-level ozone pollution on hot summer days.

Parking mandates impact the environment indirectly by contributing to a cycle of automobile-centric development and cultural practices. The phenomenon of induced traffic demand related to road widening is well known. A related concept is induced parking demand. By assuring that people find free parking spaces, along with the resultant low-density land use that makes non-automobile travel inconvenient or impossible, parking mandates induce automobile trips and parking use that would not otherwise have occurred.

This creates congestion, which traffic engineers address with road widening, which induces more traffic, which creates a need for more parking.

The end result of this cycle is a sprawling urban form entirely oriented around automobile travel. Anyone capable of making a trip by car is encouraged to make that trip by car. Cars pollute. Even electric cars contribute to noise pollution, as well as air and water pollution through brake and tire dust.

## Fixing the Problem

The argument to eliminate parking mandates is not about eliminating parking or banning cars. The argument is based on a fuller understanding of all the costs and benefits of parking policies to a city and its residents. Holistic land-use planning and market-based approaches would better address the parking needs of businesses and individuals alike. Step one is to repeal parking mandates.

### Repeal Parking Mandates

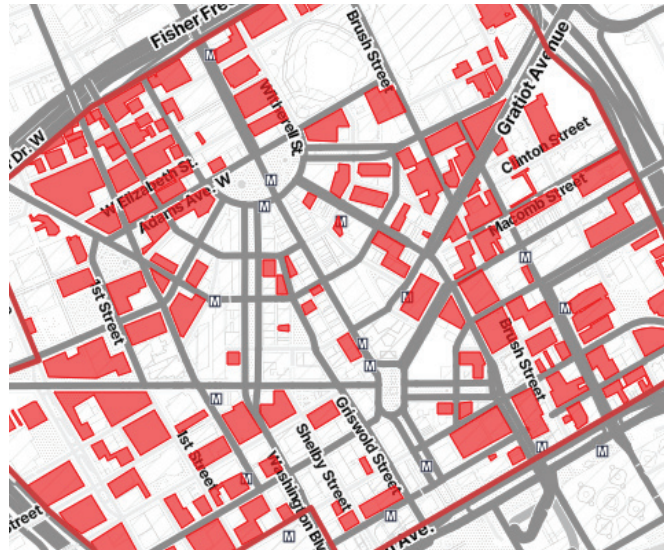
Parking mandates are bad public policy. There is no coherent argument for their continued existence. Many cities have already repealed their parking mandates, including Ecorse, River Rouge, and Ann Arbor. However, the majority of municipalities still retain them. Parking mandates have proven to be politically ‘sticky’, making them difficult to repeal.

A public meeting regarding parking mandate repeal is likely to attract opposition. People who typically have very little interest in public policy often have passionate feelings about parking. City residents may fear that if businesses aren’t required to provide more than enough parking, parking will overflow onto public streets where they park. This is a valid concern but can be addressed through appropriate management of on-street and public parking (as will be discussed in the next section).

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The other source of opposition to repealing parking mandates is large corporate entities that benefit from them. A typical example is an owner of large apartment complexes. Parking mandates increase the cost of new development and thus increase housing costs. This status quo inhibits the development of in-fill, “missing-middle” housing. Without such development, renters are more reliant on large corporate apartment complexes, with rents that incorporate the cost of parking whether tenants use it or not. Another beneficiary is large

**Image: Approximately 31 percent of Detroit’s central business district is off-street parking.**



Source: Parking Reform Network

corporate retailers and service providers. Small and local businesses that might compete with the large corporations often cannot open or expand in an area because they cannot afford to meet parking minimums, and do not have the legal resources to petition for an exemption.

While repealing parking mandates would benefit the vast majority of city residents and business owners, those who show up for public comment are a few who vehemently oppose such a policy because of perceived detriment to them. This asymmetry of political influence leaves cities stuck with a policy that is known to be generally harmful.

This presents an opportunity for state public policy to help Michigan's locally-controlled municipal governments get unstuck. A preferred state policy would be to enact a state law disallowing parking mandates. Other states are pursuing this.

Minnesota has taken the lead here with the "People Before Parking Act." The proposed legislation reads:

"Notwithstanding any other provision of law, home rule charter, or ordinance to the contrary, a political subdivision shall not impose minimum parking mandates for residential, commercial, or industrial properties within its jurisdiction."

Colorado has introduced a similar bill. The relevant language of Colorado's bill reads:

"A municipality [/county] shall neither enact nor enforce local laws that establish a minimum parking requirement that applies to real property that is both within the municipality and a metropolitan planning organization."

Michigan should consider this approach. The Michigan Zoning Enabling Act should be amended to preclude parking minimums.

A statewide preemption on parking mandates might seem extreme, but the results would be incremental. Nothing would change overnight. All existing parking spaces would still be there the next day. However, future development could be more efficient and needs-oriented. Developers and property owners would be free to provide as many parking spaces as they deem necessary, just not forced to meet an arbitrary government mandate. Over time, cities will likely see reinvestment in in-fill development where land value is high and dedicated off-street parking is difficult to build.

## **Manage Parking According to Market-based Principles**

As previously noted, residents may oppose repealing parking mandates for fear that any decrease in parking spaces will make it more difficult for them to park. Parking mandates were adopted decades ago when it was difficult to track the demand for parking in a neighborhood. As a result, planners tended to simply mandate a drastic over-supply of parking.

Today, technology-based platforms are available to track parking demand and adjust prices in response. This would ensure that anyone who wants to park in an area would be able to find a spot, though they would have to pay market rates. This would also encourage those who are able to make a trip without parking a vehicle to do so, reducing parking demand and traffic congestion.

Residents who are accustomed to free parking may still resist the idea of paying. However, demand-based prices are as likely to benefit them as not. Any public parking area that is never (or rarely) fully utilized should be priced at zero. Other strategies to obtain resident support include providing residential permits and reinvesting parking revenue back into the local neighborhood.

## Summary

Parking minimums have been integrated into municipal zoning and building codes for decades, contributing to disinvestment from city centers and continual development on the urban periphery with associated infrastructure and service costs. These policies have resulted in widespread low-density land use that is not accessible by foot, bicycle, or transit. This induces more vehicle trips, which in turn creates a need for wider roads to handle traffic volumes and even more parking lots. Additionally, all of the pavement that must be installed to support such auto-centric land use contributes to environmental problems such as urban heat islands and flooding.

The repeal of municipal parking mandates would allow Michigan's communities to develop and prosper. Over time, cities will likely see reinvestment in in-fill development where land value is high and dedicated off-street parking is difficult to build. As land use in these areas changes to become more active and walkable, cities can focus on better managing public parking through price mechanisms, with new revenues available to reinvest in the local neighborhood infrastructure.

The Growing Michigan Together Council has established a need to "create thriving, resilient communities" as part of a strategy to grow Michigan's population and improve our economic prospects. Municipal parking mandates stand directly in the way of this goal. Rather than waiting for every municipality to navigate the messy, politically-charged process of repealing their mandates, the state should take the lead and amend the Michigan Zoning Enabling Act to prohibit them.

### ABOUT THE AUTHOR

#### **Eric Paul Dennis, PE - Research Associate, Infrastructure & Environment**



Eric joined the Citizens Research Council in 2022 as an expert in civil infrastructure policy. Previous to his position with the Research Council, Eric spent nearly ten years as a transportation systems analyst, focusing on the policy implications of emerging technologies such as autonomous vehicles, connected vehicles, and intelligent transportation systems. Eric has been a Michigan-licensed professional engineer (PE) since 2012. As a practicing engineer, Eric has design and project experience across multiple domains, including highways, airfields, telecommunications, and watershed management. Eric received his Bachelor's degree in civil engineering from Michigan State University in 2006. Eric also holds Masters degrees in environmental engineering and urban/regional planning, both from the University of Michigan.

Founded in 1916, the Citizens Research Council of Michigan works to improve government in Michigan. The organization provides factual, unbiased, independent information concerning significant issues of state and local government organization, policy, and finance. By delivery of this information to policymakers and citizens, the Citizens Research Council aims to ensure sound and rational public policy formation in Michigan. For more information, visit [www.crcmich.org](http://www.crcmich.org).

#### **Southeast Michigan**

38777 Six Mile Rd. Suite 208, Livonia, MI 48152  
(734) 542-8001

#### **Mid Michigan**

115 W Allegan St. Suite 480, Lansing, MI 48933  
(517) 485-9444

Detroit (313) 572-1840

West Michigan (616) 294-8359

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