Hidden Cost of Parking in Hawaiʻi

Kathleen Rooney
Director of Transportation Policy & Programs

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Photos by Craig T. Kojima and Timothy Lee, Honolulu Star Advertiser
About Ulupono Initiative

- Committed to a more **sustainable, resilient** Hawai‘i
- We invest, educate and advocate to support:

<table>
<thead>
<tr>
<th>Local Food</th>
<th>Water &amp; Waste</th>
<th>Renewable Energy</th>
<th>Clean Transportation</th>
</tr>
</thead>
<tbody>
<tr>
<td>DA BUX Double Up Food Bucks</td>
<td>Aloha Harvest Fresh Water Initiative Re-use Hawai‘i Hawai‘i ‘Ulu Cooperative OI-HPU Feed Mill</td>
<td>BioEnergy Hawaii Carbon Lighthouse ClearFuels Ibis Networks Performance-Based Regulation SolarCity</td>
<td>A²CES for AVs Biki/Bikeshare Hawai‘i Cost of Parking in Hawai‘i Report Drive Electric Hawai‘i Quick Builds Volta Charging</td>
</tr>
</tbody>
</table>

View these and other projects at ulupono.com
## Why Rightsizing Parking?

<table>
<thead>
<tr>
<th>IMPACT</th>
<th>OPPORTUNITY</th>
<th>TIMELINESS</th>
</tr>
</thead>
</table>
| • Reduce VMT statewide by up to 29%, if right-sized (Transcending Oil 2018)  
  • Reduce cost of living  
    ✓ Roads, garages, etc.  
    ✓ Housing  
    ✓ Mandatory vehicle ownership  
  • Reduces congestion  
  • Increases residential density | • Local land use control  
  • Existing policy and planning frameworks that prioritize people over cars  
  • Under-utilized strategy  
  • Highly subsidized activity | • C&C off-street parking and loading update and on-street master plan  
  • North Shore parking enforcement and study  
  • Maui land use update  
  • Hilo downtown study and potential parking benefit district  
  • State Climate Change Commission priority |
What Do We Know About Parking Supply?

- 4 spaces per car = over 2 million spaces
- At 330 sq. ft. per space = 660 million sq. ft.
  or 15,151.51 acres
  or 23.67 sq. miles
Dillingham
Parking goes unused?!

How much residential parking goes unused?

- 26% in greater Boston\(^1\)
- 31% in greater Seattle\(^2\)
- 33% in Madison, WI\(^3\)
- 40% in Washington, DC\(^4\)
- 44% in Chicago\(^5\)

25-30% unused in Honolulu
It’s a MANAGEMENT problem

• Notoriously emotional topic
• “Hidden” issue

Alec Baldwin Arrested After Fight Over Parking Spot

Making people think twice

Not enough parking management technology

Accurate, realistic, and local costs of parking
Hidden Costs of Parking Approach

• Using real costs/projects but reporting representative direct costs
• Ensuring statewide but contextual representation
• Using conservative estimates and validating across multiple sources of information
• Developing realistic housing and commercial scenarios
## Representative Carrying Costs of Parking for Selected Household Profiles

*Q1 2020 dollars*

<table>
<thead>
<tr>
<th>Location</th>
<th>Podium parking</th>
<th>On-grade parking: residential</th>
<th>On-grade parking: commercial</th>
<th>Garage parking: commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Urban Honolulu</td>
<td>Other O’ahu</td>
<td>Maui Island</td>
<td>Kaua’i</td>
</tr>
<tr>
<td>Cost per stall:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>$42,000</td>
<td>$3,100</td>
<td>$3,600</td>
<td>$3,800</td>
</tr>
<tr>
<td>Land</td>
<td>$0</td>
<td>$19,400</td>
<td>$11,600</td>
<td>$3,200</td>
</tr>
<tr>
<td>Total costs</td>
<td>$42,000</td>
<td>$22,500</td>
<td>$15,200</td>
<td>$7,000</td>
</tr>
<tr>
<td>Typical GFA square feet per stall*</td>
<td>330</td>
<td>360</td>
<td>360</td>
<td>360</td>
</tr>
<tr>
<td>Cost per square foot GFA</td>
<td>$127</td>
<td>$63</td>
<td>$42</td>
<td>$19</td>
</tr>
<tr>
<td>Parking levels</td>
<td>7</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Primary source for construction cost estimate</td>
<td>RLB, based on contractor bids for 5 facilities</td>
<td>Reported on-grade expenses for recent private residential developments in West O’ahu, adjusted for soft costs, and geographic factors</td>
<td>Reported on-grade expenses for recent private residential developments in West O’ahu, adjusted for required landscape, irrigation and lighting costs, soft costs, and geographic factors</td>
<td>RLB, based on contractor bids for 5 facilities</td>
</tr>
</tbody>
</table>

* Includes all facilities and areas associated with the development: may include elevator lobbies, stairwells, bicycle parking, mix of compact vs. standard stalls, landscaped areas and sidewalks, etc. Excludes storage facilities, waste disposal, and loading docks and areas, if any.

**Sources:** Rider LeVett Bucknall, 2020; PBR HAWAII, 2020 (land costs); verbal estimate of recent on-grade hard construction costs by O’ahu developers.
Profile #1

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Burden</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single person renting a high-rise, 400 sq ft studio in urban Honolulu building</td>
<td><strong>$410 per month</strong> for 1 space</td>
</tr>
<tr>
<td></td>
<td>At 50% AMI, this could be up to 37% of the maximum allowable rent</td>
</tr>
</tbody>
</table>
### Profile #2

**Scenario**
Senior couple renting a high-rise, 600-square foot 1-bedroom unit in urban Honolulu

**Burden**
- **$410 per month** for 1 space
- At median income, that would be 17% of the allowable rent for this income
Profile #3

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Burden</th>
</tr>
</thead>
<tbody>
<tr>
<td>A family of three looking to rent a two-bedroom, 750-square-foot townhome on O‘ahu but outside of urban Honolulu</td>
<td>Between $180 and $360 per month with an average of $270 in parking costs, depending on number of spaces</td>
</tr>
</tbody>
</table>

At 50% AMI, this would represent around 19% of the maximum rent.
### Scenario

A family of three looking to buy a two-bedroom, 1,000-square-foot unit in a **high-rise** development in urban Honolulu (podium parking)

### Burden

$84,000 for the two required parking spaces, equaling $820/month in carrying costs

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If the unit cost $425,000 (median sales price for a condominium on O‘ahu in 2019), that’s 20% of the purchase price
### Profile #5

**TRANSPORTATION**

**Scenario**

A family of four looking to buy a three-bedroom, 1,200-square-foot home on O‘ahu but outside the urban core

**Burden**

$45,000 for the two required parking spaces, equaling $360/month in carrying costs

Compared to the median single-family home sale on O‘ahu in 2019, this would represent about 6% of the purchase price
Profile #6

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Burden</th>
</tr>
</thead>
<tbody>
<tr>
<td>160,000-square foot “big box” store outside of the urban core</td>
<td>$10.9 million to develop 534 spaces</td>
</tr>
<tr>
<td>• Nearly 190,000 square feet of parking – larger than the store itself</td>
<td></td>
</tr>
<tr>
<td>• A family that spends $100 per week at the establishment ($5,200 over</td>
<td></td>
</tr>
<tr>
<td>the year) could be considered to be paying $68 to $104 per year for</td>
<td></td>
</tr>
<tr>
<td>the parking</td>
<td></td>
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</table>
Rightsizing Means Choices

- Market dependent
- Neighborhood dependent
- Willingness to pay
- Personal need
We Have a Transportation System to Support these Choices

• Ignores current transportation realities
  • 30% already take non-single-occupancy modes statewide
  • 80,000 daily bus riders on the Bus
  • ~43% of households have 0 or 1 cars on island
Potential for new market forces

‘Choice: Garages or Affordable Homes’

• With parking requirements, the most profitable proposal is for high-cost townhomes in the range of $700,000

• Without parking requirements, the most profitable is a $280,000 mixed-income condominiums
Mahalo

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Report available at: