

The Intersection of Housing and Parking

Beyond the health crisis caused by COVID-19, the pandemic has also triggered a housing crisis. Today, 20 percent of renters and more than 10 million homeowners are behind on their payments, prompting the federal government to extend the federal moratorium on evictions and foreclosures through June. To make matters worse, there are an additional 2.7 million homeowners currently in COVID forbearance nationwide.

Washington's apartment market statistics further underscore COVID-19's negative impact on both rents and vacancies – and explain why the city has expanded rental assistance programs. Rent is down 10 percent within the District and seven percent metro-wide compared to pre-COVID levels. Despite rental prices dropping precipitously, vacancy in District buildings has doubled from last year's four percent. Vacancy rates in the metro area stand at 5.5 percent, compared to 4.3 percent in September 2019.

Housing, however, isn't the only area hard hit by the pandemic. The parking industry, struggling pre-COVID thanks to the rise in e-commerce and mobility services like Uber and Lyft, is now in freefall as shopping centers emptied and work-from-home became a way of life for most office workers.

In response to this dire situation and the growing reality that we are unlikely to ever return to things as they were (several recent surveys indicate that four out of five office workers want to continue working remotely at least 2-3 days a week), many garage operators are considering repurposing their facilities for other uses or giving up altogether. One of the District's major operators, for example, recently filed for bankruptcy, citing both the pandemic and the resultant level of commuters working from home.

Out of this devastation, however, an opportunity may be presenting itself to address both the housing and parking crises. When the pandemic first hit, hospitals such as Nashville's Vanderbilt University Medical Center moved beds into nearby parking garages to treat the overflow of potential COVID patients. As the months ticked by – and garages remained empty – operators worked with local businesses to create other uses for their parking facilities. In many cases, high-rise garages and surface lots were repurposed for temporary use as seating for local restaurants and food trucks. Other facilities were converted for use as self-storage space, pop-up industrial warehouses, or even drive-in movie theaters.

Recognizing how effective these temporary retrofits were and the fact that garages typically occupy center city sites that are much too valuable to sit empty, some cities and garage operators are expanding the conversion model to create affordable housing options for families facing eviction or already on the street.

Examples of how underutilized garages can be retrofit to provide moderately priced or low-cost dwelling units already exist. Before the pandemic even took hold, a Boston surface parking lot was being converted into a 30-story high-rise that featured affordable housing for low-income families. Wichita, Kansas turned an obsolete 500-car parking garage into 44 one-bedroom apartments, each measuring about 650 square feet. And several firms have developed inexpensive, fully-contained living units that can be dropped into place in existing parking structures.

The real challenge for making garages function as housing units, in fact, doesn't come from the facility itself. Because the dimensions for a unitized parking space are virtually the same regardless of who built

the garage and where it is located, prefabricated housing modules can easily be placed within the structure's concrete shell and make use of the circulation and utility connections already contained in the garage.

Instead, the jurisdictions themselves may be the biggest impediment to redeveloping underutilized garages. Most cities and counties have an array of zoning requirements which can discourage parking operators from pursuing retrofits, from zoning codes that compel developers to include parking in all of their properties to rules expressly prohibiting conversion of commercial properties (such as a parking garage) into residential properties of any kind.

Such regulations, however, can be overcome. It is a matter of willingness on the part of Planning and Zoning Boards nationwide to change current regulations in order to meet a more urgent need: the rising numbers of individuals and families which are desperately in need of affordable housing due to no fault of their own. By making it possible for parking garages to be easily redeveloped in order to serve as moderately or low-priced living units, we can go a long way toward addressing the twin crisis of housing shortages and unused or underused garage space, while simultaneously maintaining the vitality of our center cities.

Wes Guckert, PTP, is President & CEO of The Traffic Group, a leading Service Disabled Veteran-Owned Small Business traffic engineering and transportation planning firm serving clients nationally and internationally. He is also a Fellow of ITE and past Instructor at Harvard University. For more information visit www.trafficgroup.com or email the author at wguckert@trafficgroup.com.