

Policy Tool: Unbundling the Price of Parking

Examples: San Francisco, CA unbundling requirements
Buckman Heights and Buckman Terrace, Portland OR

Summary: Encouraging or requiring the separate pricing of residential parking, often called unbundling, can reduce demand for parking as well as combined housing/transportation costs for residents.



Residential parking is generally provided as an inseparable part of housing arrangements: a parking space is part of the apartment lease or condominium purchase. The price of parking can, however, be separated or “unbundled” from that of the housing either if developers and landlords choose to do so or if municipal regulators so require. As San Francisco’s Metropolitan Transportation Commission has explained, “Unbundling parking is an essential first step towards getting people to understand the economic cost of parking and providing users with the opportunity to opt out of parking and make alternative travel decisions. Without unbundled parking, tenants experience parking as free, while transit costs them money” (MTC, 2007 at 31).

Beginning in 2005, San Francisco began requiring that developers in some neighborhoods unbundle accessory parking spaces from the sale of a residential unit. The city’s logic was that by including a parking space as part of a residential unit, a seller prevents a buyer from deciding whether or not he or she needs a parking space. The pilot program began in a single neighborhood and was subsequently extended to other neighborhoods. In 2008, San Francisco made unbundled residential parking a requirement throughout the city (Weinberger, Kaehny & Rufo, 2010). While this requirement does not apply to rental housing, the city has also encouraged the unbundling of parking in rentals. The 141-unit Symphony Towers apartments development was granted a variance and allowed to construct only 51 spaces (rather than the 141 that would have been required) because of its use of unbundled parking (and provision of two car sharing parking spaces) (MTC, 2007).

The developer of the Buckman Heights mixed-use development and Buckman Terrace Apartments in Portland, Oregon unbundled the price of parking as part of a comprehensive strategy to reduce the number of parking spaces that had to be provided. Prendergast & Associates built the development on a site adjacent to the central city Lloyd District, nine blocks from light rail and near high-frequency bus routes. Buckman Heights is a 144-unit mixed-income apartment building with 58 on-site parking spaces (0.4 spaces/unit); tenants pay \$15-30/month for parking. Buckman Terrace is a 122-unit apartment building with 70 structured parking spaces (0.57/unit); tenants pay \$50/month for parking (as of 2006 when this information was collected). The developers also took advantage of a Portland zoning provision that allowed them to eliminate 14 required on-site parking spaces at Buckman Heights apartments and substitute 56 secure, covered bike parking spaces (EPA, 2006).