

## Time to ditch that parking spot

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by Neil Sharma 17 Jun 2019



Constructing a below-grade parking spot in downtown Toronto can cost as much as \$100,000—an exorbitant amount that contributes millennials’ affordability woes.

“What we’ve been hearing from our developer members is millennials can’t afford parking on top of the price of a condo unit and they don’t want parking anymore,” said **Residential and Civil Construction Alliance of Ontario (RCCAO) Executive Director Andy Manahan**. “In some buildings, we’re building too much underground parking.”

An RCCAO-commissioned report—*How Parking Regulations Need to Evolve for High-Rise Buildings*—released by the Ryerson Urban Analytics Institute noted that the City of Toronto hasn’t updated its parking standards in 33 years and, furthermore, determined millennial-aged downtown dwellers often forego vehicular ownership in favour of bicycles and ride hailing services like Uber and Lyft.

But the price of the superfluous parking spot is still passed onto the consumer—and, in the case of millennials, it can be the difference between homeownership and renting.

In addition to affordability troubles, the report also says that below-grade parking garages impede Toronto's stormwater management capacity.

“The mandate for the construction of underground parking structures has exacerbated Toronto's stormwater problems through a somewhat complex interplay with groundwater,” read the report. “Supplying underground parking to serve high-rise buildings means the construction of up to six levels of underground parking, where groundwater is often encountered. The proliferation of tall buildings with hundreds of suites necessitates deep multi-level underground parking structures then increases the likelihood of encountering groundwater or hydrostatic pressure on buildings, as well as on the surrounding geology, decreasing the ground's geological capacity to hold additional water from precipitation.”

Above-grade parking garages are also easier to repurpose for other uses, as well. With the imminent rise of autonomous vehicles, vehicular ownership will become even scarcer in Toronto than it is today. Manahan says that not only are cyclists becoming increasingly ubiquitous in the city, institutional investors are reticent about constructing a “white elephant.”

“If major REITs in the U.S. are required to provide parking as part of a development, they will ensure it's designed so that it could be repurposed in the future because they don't want to get stuck with a white elephant,” he said. “A lot of concrete goes into a parking structure and they don't want to get stuck with the cost, so they look at how to make it more flexible for future uses.”