



Sightline Institute is an independent think tank working to advance sustainability in the Pacific Northwest. We believe that a thriving economy, environment and population each depend upon one another.

I'm writing in support of SB 395, Safe Routes for All. We support its transportation goals---after all, trips that include walking or biking likely represent more than 10 percent of all trips taken in Oregon,¹ and this bill asks for only 5 percent of public roadway spending to go toward improving those trips.

However, as a housing policy specialist I also want to emphasize a benefit of this bill that may be less obvious: **economic development in the form of less costly commercial and residential construction.**

Our state and federal government impose many costs on new development. Disability access, stormwater management, building codes---all have benefits, but all cost money. Three years ago, Sightline gathered data from various developers and went systematically through a list of many options for reducing building costs, estimating how much money could be saved in each case.²

We learned something interesting: One of the biggest ways to reduce the cost of new buildings, with the fewest negative tradeoffs, is simply for their users to demand fewer parking spaces. I don't mean for buildings to be *prevented* from including *enough* parking---I mean that when the residents of a building or the customers of a store actually don't have any use for as many parking spaces, then all economic activity becomes cheaper and the associated space and money can be put to other, more profitable use.

Specifically, we learned that if a new apartment building could naturally reduce its parking ratio by half of a parking space per home, this would tend to lower its break-even rents by about \$140/month. That's half of Oregon's entire median statewide increase in rent since 2015.³ **This economic efficiency exists no matter where your city is on the urban-rural spectrum.** Other things equal, gradually reducing average auto ownership in Monmouth from 2 cars per household to 1.5 would be just as economically useful as reducing it in Portland's Kenton neighborhood from 1.2 cars per household to 0.7.

¹ 2017 National Household Transportation Survey: Nationally, 10.5% of trips are taken on foot, 2.5% on mass transit, and 4.4% "other" including bicycle, wheelchair, etc.

² Sightline Institute, "What Makes Portland's New Apartments So Expensive?"

³ American Community Survey, median contract rent in 2015 and 2019.

Reducing market demand for parking space is not a fast process. But it can work---if and only if we dedicate proportionate spending to improving the alternatives to driving, such as walking, biking and mass transit (which of course relies heavily on pedestrian infrastructure). ODOT data shows that car ownership rates per Oregonian peaked in 2003.⁴ If we were still registering cars at the rate we did then, we'd be trying to find space in our parking lots and on our freeways for 30,000 more cars.

To be clear, we have seen only a modest decline in auto registration per capita---just 1 percent. If we want our economy to enjoy the economic benefits of becoming less auto-dependent, we should be allocating our public investments slightly differently.

SB 395 would do so. Please support it.

Michael Andersen
senior researcher, housing and transportation
Sightline Institute

⁴ Oregon DMV vehicle registration statistics and US Census Population estimates through 2019.