


Removing Excessive Parking Mandates

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HOUSING 
HAWAII'S
FUTURE

Why This Topic Matters

Hawai'i's housing crisis has many causes, and one often-overlooked factor is **mandatory parking mandates**. These innocent-looking rules force new housing developments to include a set number of parking spaces. Every required parking stall must be built and paid for, and those costs get passed on to homebuyers and renters.

The impact of mandatory parking on housing affordability is significant. When the cost to build a parking stall equates to \$68,000 per stall in a parking garage, that expense gets bundled into the price of each home. Excessive parking mandates waste urban space, inflating costs of housing, and decreases our ability to increase housing supply.

Background

Parking mandates are zoning or building rules that require a minimum number of off-street parking spaces for each new housing unit or building. For decades, local governments across Hawai'i have mandated at least one or two parking spots per home. These standards were often adopted arbitrarily in the mid-20th century and have not kept up with changing needs. Measures like Bill 53 of 2025 in the City and County of Honolulu target housing projects that did not previously require parking to force them to provide additional parking.

It is a waste of time and money for government to mandate parking. The size and scope of parking in urban communities is already determined on the open market. Developers understand that parking is needed to attract potential tenants and/or customers. If we continue to build walkable cities through rental housing programs like Bill 7 (Ordinance 19-8) and alternative transportation methods like Rail Transit, over-building parking spaces will result in wasted space in urban communities.

Implications of This Legislation

Removing excessive parking mandates will result in cheaper housing units, more walkable communities, and greater mixed-use development. A Honolulu analysis found that requiring two parking stalls for a new condominium could add about \$84,000 to its price—roughly 20% of the unit's cost. Spread over a 30-year mortgage, those two parking spots alone might account for over \$250 in additional monthly payments. For renters, the effect is similar: one report found a single renter in urban Honolulu might be paying as much as 37% of their rent just toward parking costs built into the project. And when half of an urban lot is devoted to parking, that's half the lot not being used for housing, as the Ulupono Initiative has noted. Housing should align with transportation and infrastructure investments; with current and future public transportation investment, the need for parking mandates should be reduced, not increase.

Benefits

Removing excessive parking mandates encourages efficient land use and expands transportation choices for residents. When we're not forced to set aside space for car storage, we can build housing closer to job centers, shops, and transit. This can make walking, biking, and public transit more viable options for residents, reducing traffic in the long run.

Removing parking mandates will increase the spread of housing options available to residents. Typically, residents are constrained by housing options which automatically come with parking. While many housing options will continue to have parking, residents who use alternative forms of transportation (like biking, buses, car sharing, or rail transit) will have the freedom to live in housing that emphasizes walkability in an urban setting, not car dependence.

Drawbacks

One of the biggest concerns about parking reform is that it will ban parking. This is not the case. **Removing parking mandates will not ban parking; it only makes parking optional rather than compulsory.**

Developers can and will build parking where they see demand. In 2020, the Honolulu City Council passed Bill 2, removing parking minimums in the urban core to spur more housing near transit. Four years later, many developers still choose to include lots of parking in new buildings if they believe their residents will want it. *However, they now have the freedom to adjust.* For example, one housing project in Honolulu is expected to save roughly \$10 million in construction costs for parking because of this flexibility. That translates to lower housing costs for residents.

Positive Change Forward

Statewide parking reform would empower all Hawai'i counties and developers to be more nimble and cost-conscious, following the proven success seen elsewhere.

While parking will be an option many choose to have with their housing, **it shouldn't be universally mandated for everyone.** Advocates and urban planners nationwide have noted parking mandates as "unnecessary costs that hinder new housing development", especially when many households don't even use multiple cars. (In Washington state, for example, nearly 60% of renter households have only one or no car; yet some cities require two stalls per unit.)

The end result is that even people who don't own a car end up paying for parking through higher housing costs. Parking should not be mandated by government.

Call To Action

Support policies that decrease housing costs and increase housing supply. Removing parking mandates will lower housing costs and promote walkable, mixed-use communities while enabling parking for businesses, schools, and housing.