



Parking Minimum Reform: A Pathway to Addressing DC's Housing Challenges

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Intro

Amidst the housing affordability crisis plaguing major cities across the United States, various states and municipalities are working to find solutions, and reform of parking minimum requirements is gaining momentum as a promising measure to increase the housing supply. As car ownership boomed in the mid-20th century and street parking became hard to find, most major U.S. cities adopted "parking minimum" rules which require developers to build a certain number of parking spaces when constructing new single-family homes and apartments, depending on the number of units constructed. However, such requirements and the substantial additional costs they add to housing construction have come under intense scrutiny during the current housing affordability crisis. A gradually growing number of state and local governments has moved to reduce or eliminate these minimums¹, though not without opposition. One of the latest proving grounds for parking minimum reform is the U.S. capital Washington, DC, where momentum is growing for citywide elimination of minimums.

Washington Core spoke with Dr. Yesim Sayin, Director of the DC Policy Center, about the unique situation in the District of Columbia, which borders Virginia and Maryland.

The effects of removing parking restrictions

According to Dr. Sayin, eliminating "parking minimum" requirements is one of the most effective zoning measures for increasing housing construction in the near term, and should be promoted even when housing demand growth is slow. Parking minimum rules have been in place since the 1920s², requiring developers to provide a minimum number of parking spaces in apartment buildings and housing complexes according to the number of housing units built. For example, one car for one unit, two cars for two units, and so on. These rules are no longer a good fit for many crowded urban areas, where populations, land and housing prices, and public transit use have soared, and a consensus is growing that space for people should be prioritized over space for cars.

The removal of minimum parking requirements has resulted in lower housing construction costs and increased supply, as seen in the recent case of Seattle. According to Dr. Sayin, after the city of Seattle eased its parking minimum requirements in 2025, developers significantly reduced the quantity of parking built, though they didn't eliminate it.³ A study on the Seattle case estimates that this reform saved approximately \$500 million in construction costs, equivalent to a cost reduction of about \$20,000 per home. It is also estimated that about 60% of the homes built after the reform would not have been possible if the previous parking requirement had remained in place.⁴ The reduction in parking costs allows for the supply of more homes on the same plots of land, increasing housing supply in urban areas, and easing upward pressure on housing prices and rents.

Washington DC suffered a double whammy

Dr. Sayin emphasized that parking minimum reforms are particularly important for Washington DC, given the city's current economic and real estate market conditions. She explained that the real estate market in Washington DC has been hit by a "double whammy" of the COVID pandemic drawing people away to work remotely outside the city, and deep and widespread federal government job cuts driving people out.⁵

At the same time, DC is facing competition from cities that appeal to workers with lower costs of living, such as Nashville, Tennessee, and Austin, Texas. In the face of these headwinds, DC has experienced negative net migration for five consecutive years.⁶ Other obstacles to housing investment include worsening profitability for developers due to rising interest rates and construction costs, and a lack of consistency in DC's permit review process that makes project planning and financing difficult.

The combination of these factors has weakened housing demand and production. The approximately 8,000 to 9,000 building permits issued annually by DC for multi-unit housing up until 2022 have since fallen all the way down to 1,200 units in 2025.

Despite the relative cooling off of housing demand in DC at present, Dr. Sayin argues that reducing housing construction is unwise as it will create "a more long-term housing affordability problem." From the late 1960s to the early 2000s, housing construction in DC was extremely limited. Massive riots following the assassination of Martin Luther King Jr. in 1968 caused many residents to move out, and were followed by decades of struggles with fiscal crises and underinvestment in public services that saw housing demand stagnate. When financial stability and population growth resumed in the city in the 2000s, housing construction struggled to keep up and housing prices rose rapidly.

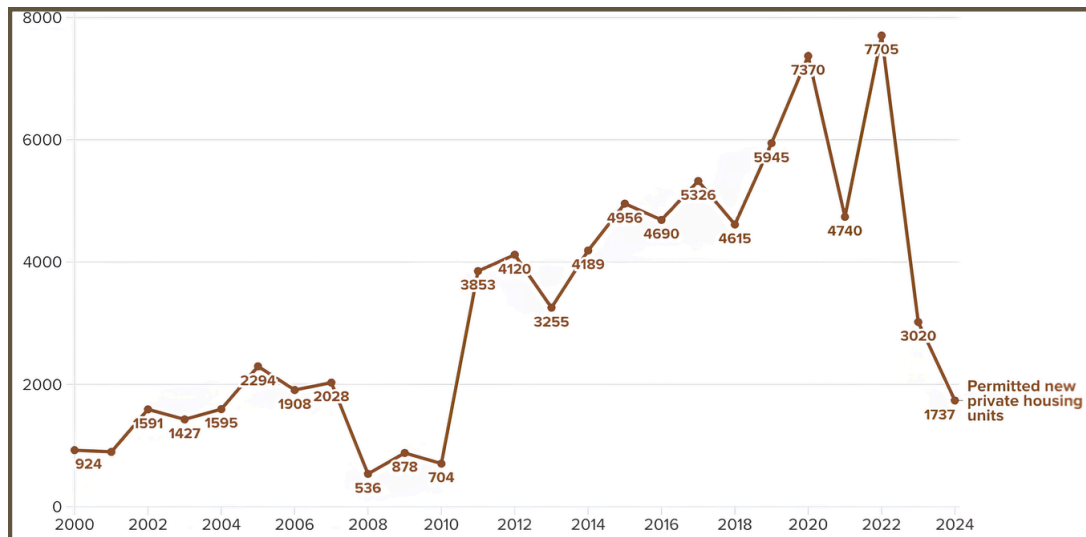
Seattle Case: Savings from Easing Parking Requirements

Study period: 2012–2017 (5 years after reform) **Homes studied:** ~26,300 multifamily units in reform areas



Source: Adapted from DCPolicy Center and Transfers Magazine

Number of permitted new private housing units in DC (2000-2024)



Source: Source: DC Policy Center⁷

If housing is not built during periods of modest demand, there is a risk that there will not be enough housing when population growth resumes, placing an even greater burden on middle- and low-income residents.

Nationwide progress on parking minimum reforms

While reforms to parking minimum requirements are gaining momentum in the U.S., several obstacles have kept the pace of progress slow. Firstly, the governance structure of U.S. housing policy is highly fragmented. Because zoning is generally under the jurisdiction of local governments, developers must deal with thousands of local governments across the country, each with different policies on permits, environmental reviews, and other administrative procedures, which can hinder housing development. In recent years, 14 states have introduced some degree of statewide parking regulation reforms to encourage construction by increasing consistency and predictability.⁸

Out of those states, New Hampshire is the only one so far to have eliminated minimum parking requirements statewide without exception, whereas others have limited reforms to certain areas such as neighborhoods heavily served by transit.

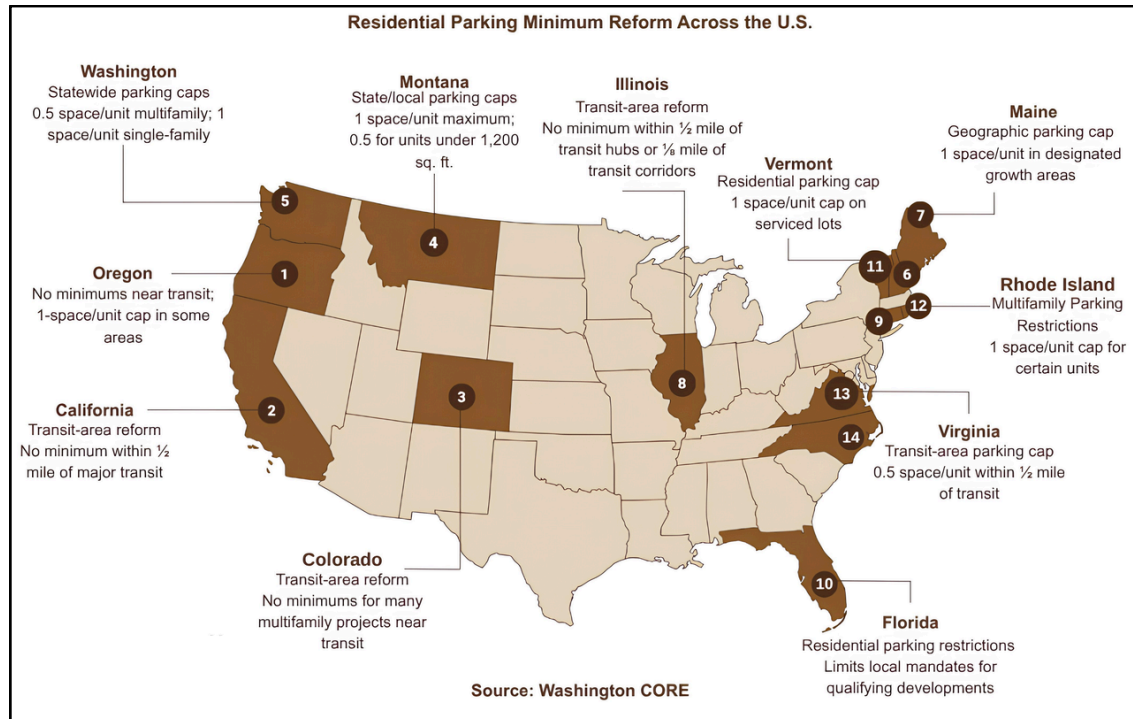
This illustrates the difficulty of implementing such reforms universally. The main challenge lies in the gap between recognition of the statewide and citywide benefits that increased housing supply can bring in terms of housing affordability, and neighborhood-level concerns of current residents about parking space availability.

For DC, which is trying to reverse the net outflow of residents, expanding the housing supply could benefit current and future residents by making DC more attractive to people considering where to live, work, invest, and start a business. However, it can be challenging to gain the support of current residents, who may be more concerned with whether they can park near their homes, and receive visitors and delivery trucks. While DC as a whole supports deregulation that will lead to the city's growth and success, there is strong opposition in less dense neighborhoods to the construction of large apartment complexes that could result from more deregulation. Nevertheless, DC's incoming mayor Janeese Lewis George, a proponent of housing supply, has shown strong support for eliminating the minimum parking requirement, and Dr. Sayin sees the prospects for major reforms to be brighter than ever before.

Other initiatives to improve housing affordability

Dr. Sayin notes that, "Eliminating parking space minimums will ease the housing supply, but it is by no means a panacea." Various other initiatives are being implemented to address the housing shortage. For example, underutilized commercial buildings can be an opportunity to increase housing in addition to new construction from vacant lots. DC's Housing in Downtown (HID) Program provides property tax abatements to support the conversion of underused office buildings into residential apartments. The program requires a set-aside of a certain percentage of units for affordable housing.

The Opportunity Zones program provides federal capital gains tax breaks for real estate investments located in low-income census tracts that might otherwise struggle to attract investment. Finally, the "Community Development Benefit Grant can now also be used for affordable housing, which is a positive step," says Dr. Sayin. It is believed that housing supply can be most effectively boosted when parking minimum reforms are implemented in concert with multiple solutions such as zoning reforms, tax incentives, the expanded use of manufactured housing, and investment in public transportation. Cities such as Seattle, Minneapolis, and Austin are already implementing various combinations of such measures, and DC appears set to join them.



Source

1. In 2016, DC modestly eased parking requirements in a very limited area around public transit, but about 96% of the city's residential land remains subject to minimum parking requirements.
2. <https://www.planning.org/publications/publication/9027793/>
3. <https://transfersmagazine.org/magazine-article/how-developers-respond-to-parking-reform/>
4. <https://www.dcpolicycenter.org/publications/breaking-the-scarcity-subsidy-cycle-a-new-housing-vision-for-the-district-of-columbia/>
5. <https://ora-cfo.dc.gov/node/1820921>
6. <https://www.dcpolicycenter.org/publications/dc-domestic-migration-declines-more-than-neighbors/>
7. <https://www.dcpolicycenter.org/publications/is-the-district-of-columbia-still-competitive/>
8. <https://stateline.org/2026/07/08/to-promote-more-housing-cities-and-states-target-parking-minimums/>

Interviewee

Yesim Sayin Executive Director DC Policy Center

Center, a think tank specializing in policy issues in the District of Columbia (DC), including economics, housing, workforce, and education. With over 20 years of experience in public policy, she is renowned for her reliable and balanced analyses of DC's economy and demographics. Her research areas include economic and fiscal policy, urban development, housing, and education, and her findings have been featured in the Washington Post, the New York Times, and the Wall Street Journal. Prior to joining the DC Policy Center, she led a financial impact analysis team in the Office of the Chief Financial Officer of the District of Columbia, evaluating legislation and advising policymakers on its financial implications.



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