

EMBRACING CHANGE

By Joseph Balskus, PE

In the June issue, I wrote a story on millennials in the parking industry—we need to embrace them as our customers and employees. As a follow-up discussion in this column, I am including their successors, the Z Generation or the New Century Generation, which is also causing dramatic changes. Will these changes hurt our industry from the parking revenue generation side of the table?

Concerns Ahead

There are several concerns for our industry in the coming months and years. There is the general decrease in overall vehicle miles traveled that has been experienced in most parts of the country since before the Great Recession. As we have all heard, traffic

is always getting worse! However, the perception defies the reality and the data. Traffic volumes have been decreasing since 2007 and at best, increasing at a much slower pace than before the recession. In all other recessions, traffic volumes dropped but quickly came back and increased again beyond the previous numbers. As of this year, it appears that the previous 20 years of projections of annual traffic volume growth were and continue to be wrong. Some believe the numbers will come back; others believe they will not because the downward shift this time is not directly tied to the economy or gas prices.

What does this all have to do with parking? A lot! Because increased traffic volume means increased mobility that means activity in the downtowns, which requires parking.

Millennials and the new centurites, as I am calling them, are also choosing to live in urban centers instead of rural or suburban areas, causing a reduced demand for driving and parking in urban centers for those commuters. In fact, projections by demographers suggested a paradigm shift in population centers to urban cores and away from rural and suburbia.

Technology is fueling the change of less auto-dependency. Uber is leading that change in the taxi revolution and turning the industry on its head while providing quick and very accessible car service, benefiting both the rider and driver. That itself does not reduce parking demand.

Technology is both a boon and perhaps a threat to



the parking industry. On the positive side, technology has allowed for more convenience for parkers, from finding their parking spaces with guidance systems to payment systems with pay-by-phone to advanced parking meters and even online parking availability systems in congested downtowns.

Cars without Parking

The threat to the parking industry lies potentially in autonomous vehicle technologies. Consider the notion that an autonomous vehicle will not need a parking space! It can go anywhere outside a high-demand parking area and park, rest, or wait for the next assignment, until its owner is done with work, or be leased to drive someone else.

Imagine the future, which according to Google and automakers, is not terribly far away. An autonomous vehicle “sleeps” somewhere outside a town. It awakes and drives into the town, picks up the owner at his house/townhouse/condo/flat/apartment or palatial suburban white picket fence homestead, to go to work. The car drops the person off and leaves—no parking space required.

Is this too farfetched of an imagination? I think not.

Embracing Change

So yes, the parking industry will be affected by technology. It is benefiting from technological advancements in actuation, controls, payment options, guidance systems, on-street systems, metering, and accounting, resulting in more efficient and robust systems for owners while increasing revenues.

We must find a way to embrace the technology revolution with the car, combined with a customer who is less dependent on the single-occupant vehicle, to allow our industry to not just survive but be part of the revolution and thrive in the new era for parking.



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