

# THE PARKING CRUNCH: Parking reality check in downtown Portland



**Vince Ciampi**  
Associate Broker

*Vince joined CBRE | The Boulos Company in 2013. He specializes in many areas of commercial real estate including office, retail, industrial and multi-unit and investment properties. He assists clients with financial underwriting and quantitative analysis of investment properties and investment real estate portfolios.*

## LOT FULL



The last thing a tenant rep broker in downtown Portland wants to hear is, “We need parking nearby.” To this, one looks at the sky and hopes for a miracle. This scenario, while humorous, is a constant reality in Portland. The number one complaint that we hear and note at CBRE | The Boulos Company is the lack of parking in downtown Portland. As of last month, Portland currently offers a total of 11,218 parking spaces. Garages offer 7,359, while the remainder are in surface lots. Of these parking spaces, only 636 spaces are noted as available. This is only 5.7 percent!

Of the available spaces, many of them are not conveniently located where the office vacancy exists. While 636 available parking spaces sounds like a lot of parking, they are not located “nearby” or “close enough” to the areas we need them most. Out of the fifteen parking garages, only five have any availability. Out of the 33 surface lots listed by the city, only five have any availability.

## SO, WHO DOES THIS AFFECT?

The parking situation in Portland affects four groups the most.

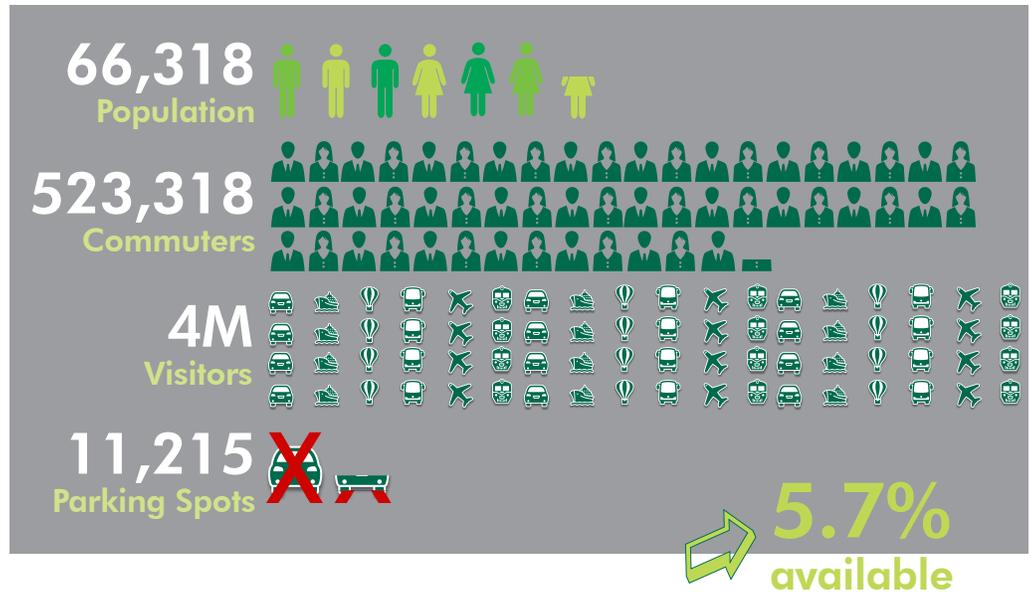
1. Tenants
2. Landlords
3. Residents
4. Consumers

**11,218 PARKING SPACES**  
**636 AVAILABLE = 5.7%**  
**OF TOTAL INVENTORY!**

Limited parking makes it extremely difficult for employers to lease space and keep their employees satisfied with the work environment. In a time when we place high value on lifestyle aspects like urban living and “walkability,” we still have many people who drive to work. As we all know, working and living in Maine, a long walk through snow and slush at 8:00 am is not a great start to the day. As a result, Tenants are putting serious thought into their own solution for the increase in parking cost and the lack of parking opportunities. In Portland, we may see a shift in Tenants looking more closely at the suburbs even if they have been reluctant in the past. Perhaps we will see companies adopt a strategy used in other parts of the country of offering to Uber employees to and from work each day...

While some Tenants may consider a move to the suburbs with free and ample parking, Landlords have a two-fold situation on the table. The lack of parking availability has given Landlords the opportunity to increase monthly parking rates for their lots and garages. Parking garages in the most sought after locations are seeing parking rates

increase to as much as \$170/month. With little alternative, most of the current parkers agree to the increase rather than be thrust into the pool of people looking for parking near their workplace. On the other hand, Landlords are recognizing the fine line between raising parking rates and maintaining positive relationships with their Tenants.



Residents and consumers are also seeing the effects of the parking crunch. Finding an apartment downtown can often be a struggle in the current housing environment, but to find one with parking included is an even more daunting task.

**LOOKING AHEAD**

We have already seen planned developments for the years to come that are adding structured multi-level parking to address the issue. The new 58 Fore Street waterfront development has 922 parking spaces in their concept plan. The Midtown project on Somerset Street in the Bayside neighborhood is currently in development and will include an 800± space parking garage.

It will be interesting to observe what becomes a reality and whether owners of surface lots may consider putting another deck of parking over their lot. For now, it's all speculation, but the parking crunch remains reality. In the meantime, it's important for Landlords and Tenants to maintain that positive relationship and collectively (and, of course, with the help of a couple brokers) look for creative solutions.

CBRE | The Boulos Company and Boulos Asset Management provide real estate brokerage, management, consulting and development services in Northern New England with offices in Portland, ME and Portsmouth, NH. It is Northern New England's largest full-service commercial real estate company, with over 70 employees and brokers. Boulos Asset Management manages more than 4,000,000 square feet of commercial real estate, and the brokerage activity volume in 2014 totaled in excess of \$276 million. The Boulos Company entered into an affiliation with CBRE in 2001.

CBRE Group, Inc. (NYSE:CBG), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world's largest commercial real estate services and investment firm (in terms of 2015 revenue). The Company has more than 70,000 employees (excluding affiliates), and serves real estate owners, investors and occupiers through more than 400 offices (excluding affiliates) worldwide. CBRE offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting.