Parking reductions can have an **enormous impact on land value**, especially in Austin's VMU and ETOD areas.

The Traditional Problem

Under older commercial development rules, a developer might need:

- 1 parking space per apartment unit.
- 1 space per 250–300 SF of retail.
- Additional spaces for restaurants.

A single parking space, including aisles and maneuvering area, typically consumes about **300–350 square feet of land**.

For a 15,264-SF site like 2448–2508 S. 1st, parking can consume a very large portion of the property.

Example

Suppose a project requires 40 parking spaces.

Plain Text

40 spaces × 325 SF each

= 13,000 SF

That's nearly your entire site devoted to parking instead of income-producing improvements.

Why Reduced Parking Increases Value

With VMU and ETOD provisions, parking requirements may be reduced or eliminated in some cases. The listing specifically highlights the ETOD and Density Bonus ETOD designations and notes reduced parking opportunities associated with transit-oriented development.

When parking requirements are reduced, a developer can:

- Build more apartments.
- Add more retail space.
- Increase building footprints.
- Increase rentable square footage.
- Reduce structured parking costs.

All of those increase the residual land value.

Structured Parking Is Expensive

If required parking exceeds what fits the site, developers may need a parking garage.

Current structured parking can easily cost tens of thousands of dollars per space.

For example:

Plain Text

50 structured spaces × $35,000
= $1,750,000
Eliminating or reducing those required spaces can dramatically improve a project's economics.

Effect on Your South First Property

The real value of **CS-V-ETOD-DBETOD** zoning is not merely that multifamily is possible; it's that the developer may be able to place significantly more units on the site because less land is consumed by parking.

A developer evaluating the site might think:

"Without parking reductions, I can build 20 units."

versus

"With ETOD parking reductions, I can build 30 units."

That difference can translate into hundreds of thousands—or even millions—of dollars in additional project value.

How Buyers Think About It

Developers don't buy land based on what exists today.

They buy based on:

How many units?
How much rentable area?
How much parking required?
How much height allowed?
How much density allowed?

Every reduction in required parking generally will lower cost and likely increase land value.

Lowers construction cost,

Increases buildable area.
Increases future income.

For this site, the combination of:

- South First frontage,
- VMU,
- ETOD,
- Density Bonus potential,
- Reduced parking burden,

is a significant part of what supports a value above what a traditional restaurant user would typically pay for a 0.35-acre tract.