



## Real Estate Predictions 2022

Mobility hubs, the enabler of  
healthy urbanization?

**Transitioning towards transport modes  
with a smaller physical footprint**



# Mobility hubs, the enabler of healthy urbanization?

## Transitioning towards transport modes with a smaller physical footprint

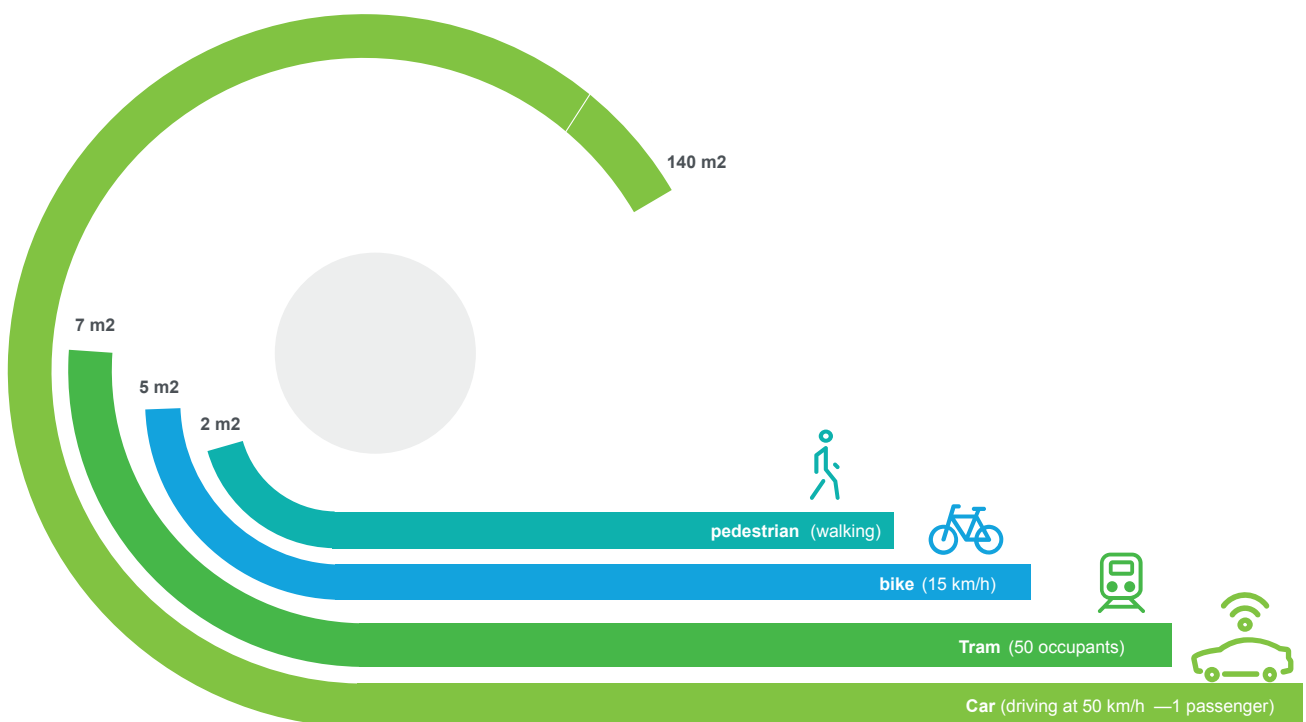
A major challenge in many cities across Europe is the (growing) housing shortage. To solve this, new residential developments are needed. Most municipalities plan these within the city borders to keep the surrounding areas green. Additionally, many municipalities aim to free up the scarce city space that is currently used by (parked) cars. This will make the inner city greener, healthier and more livable. However, it also raises a challenge: how can cities accommodate a growing number of citizens within their borders when they are reducing the amount of space that these citizens can use to travel from A to B? Mobility hubs are coined as the key solution for the transition to a more space-efficient transport system. Yet, only a few of them have been realized. So what can be expected of this trend?

### The challenge: conflicting claims for scarce city space

Individually, we want our trip from A to B to be fast, cheap, and comfortable. Therefore, for many citizens, the car is their preferred

mode of transport. Yet, from a collective point of view, we want safe, livable, and sustainable cities with a high quality of public space. Comparing the "footprint" of different transport modes reveals

the solution to the "space challenge". A transition from car-dominated travel to less space-intensive modalities such as public transport or bicycles is necessary to free up space.



**The way forward: a “carrot and stick approach”**

To realize the before-mentioned transition, a change in urban development and policy-making is needed. This should preferably be aimed at:

1. Enhancing “space-extensive” (i.e. public transport and shared vehicles) and sustainable transport modes (“the carrot approach”).
2. Discouraging “space-intensive” (privately owned cars) and sustainable transport modes (“the stick approach”).

The stick approach initiatives are typically about providing less space for cars and/ or pricing car parking or car use. Generally speaking these measures are politically sensitive and unpopular with the general public. An important condition for public support for these measures is the availability of alternatives for car-use and car-ownership. Hence, the importance of the “carrot”.

**The mobility hub: the most promising carrot approach?**

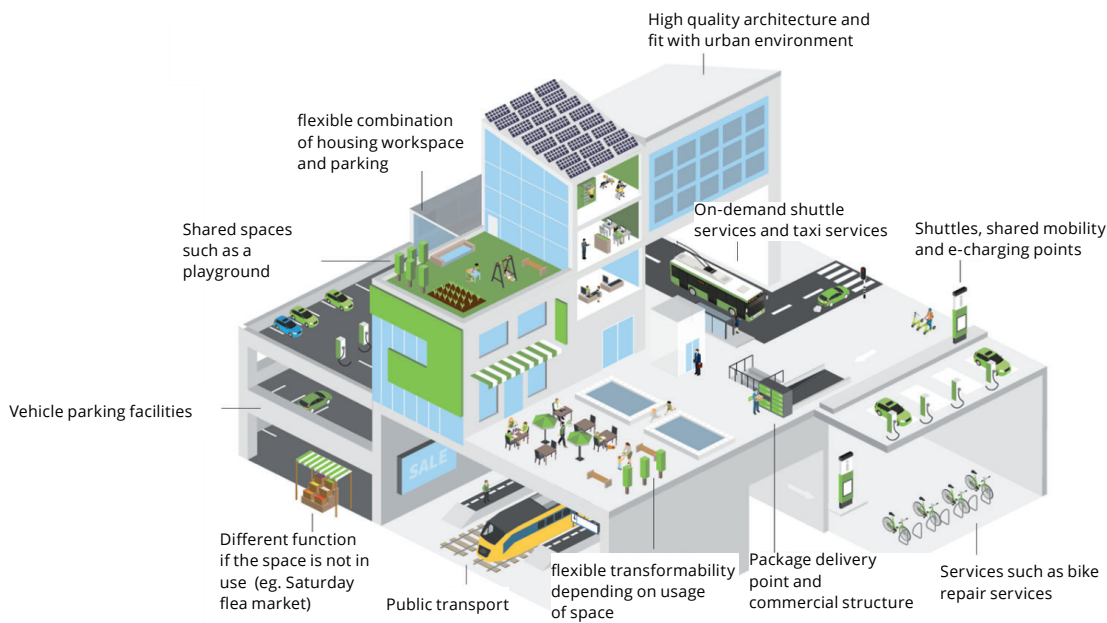
Carrot approach initiatives include measures to provide for better cycling and walking infrastructure and to stimulate shared mobility initiatives. Most attention is paid to the “mobility hub”, which has become a real buzzword. So what is a mobility hub? And what can we expect?

**Examples of stick approach initiatives**

 <p><b>Reducing parking capacity</b></p>	<p>Paris aims to eliminate 72% of its on-street parking spaces by 2024.</p>
 <p><b>Reducing parking requirements of new Real Estate development</b></p>	<p>Many Dutch cities, such as Amsterdam and The Hague, are allowing for new Real Estate development without parking capacity; even imposing maximum parking requirements to cap car ownership.</p>
 <p><b>Car-free zones</b></p>	<p>Other European cities, such as Milan and Madrid, impose bans on cars in city center areas.</p>
 <p><b>Road-pricing</b></p>	<p>London has implemented the congestion zone to discourage car drivers from entering the city center.</p>

A mobility hub is a place with a high concentration of seamlessly integrated modes of transport (i.e. shared vehicles) and facilities (i.e. charging stations) in an attractive urban design. It provides a safe and convenient place to transfer between modes of transport, thus increasing the traveler experience. As it stimulates citizens to opt for less space-intensive modes of

transport, it also reduces the burden on the public space and contributes to wider city ambitions regarding sustainability and healthy urbanization.

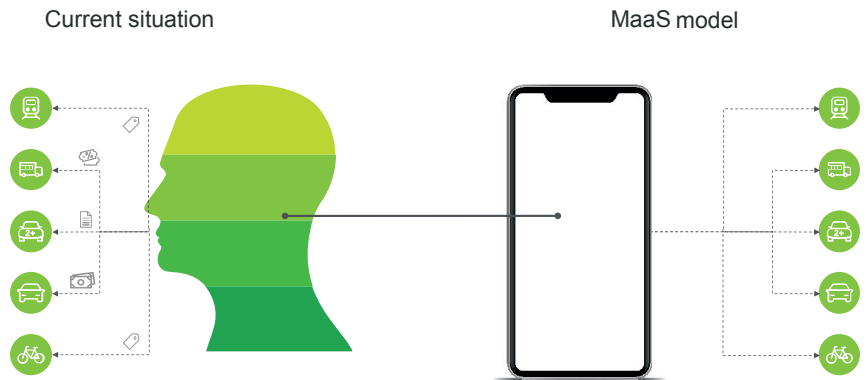


### Mobility-as-a-Service

On the digital side, the travel experience of shared mobility services is also increased by the rise of Mobility-as-a-Service (MaaS).

MaaS allows citizens to plan trips that involve multiple transport modes with one single application and payment mode.

The different services offered at the mobility hub can be reserved by one digital mobility app that allows citizens to plan and pay for their trips.

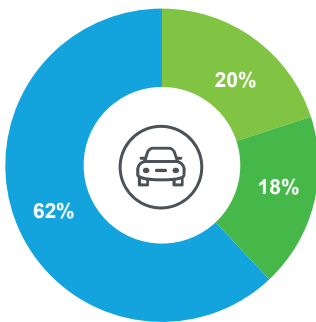


### The current status of mobility hubs in the Netherlands

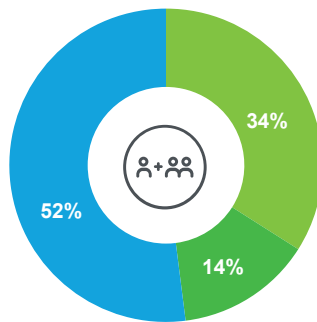
So what is the current status of the mobility hub development? We surveyed approximately 50 Dutch municipalities on their mobility hub plans. At the moment, less than a quarter of the municipalities already has mobility hubs, but half of

the municipalities plan to realize these in the near future. Furthermore, the majority of municipalities is reducing parking requirements in new residential developments and allows for an additional reduction if car-sharing services are offered to new residents. Our observations confirm the trend that municipalities

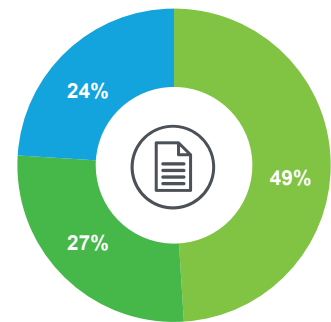
increasingly discourage car-ownership in new residential developments (“stick approach”), and encourage the provision of shared mobility services and hubs (“carrot approach”).



1. Reducing parking requirements



2. Allowing for additional parking requirements in exchange for car sharing services



3. Allowing for reduction in additional parking requirements in exchange for mobility hub services

● No intention to develop policy yet    ● Intention to develop policy    ● Current policy



#### 1. Reducing parking requirements

Multiple studies have concluded that parking requirements result in an oversupply of parking in new residential developments. A recent analysis<sup>1</sup> of the parking supply of a housing association shows that parking requirements dictate the provision of 10 parking spots for 5 social housing apartments when 5 parking spots would have been more than enough to meet demand for parking.

Multiple studies<sup>2</sup> also show that parking requirements affect the feasibility of new residential developments because the cost of providing for parking capacity is generally higher than what residents are willing to pay. This is especially true for underground parking garages.

As a result, many municipalities are reducing parking requirements, especially in inner city areas with good access to public transport.

<sup>1</sup> 'Veel vrije parkeerplaatsen bij sociale huurwoningen' | Mobiliteitsplatform (2020)

<sup>2</sup> Provincie Zuid Holland: Parkeren en verstedelijking (2020)



## 2. Parking requirement reduction in exchange for car-sharing

Many Dutch municipalities reduce the parking requirement with 5 parking spots if a Real Estate developer offers 1 shared car, resulting in a net discount of 4 parking spots. Assuming that one underground parking spot costs €40,000 to build, this provides the Real Estate developer a cost saving of €160,000. This saving could partly be used to pay for the provision of shared mobility services.



## 3. Shared mobility hub subscription to Real Estate tenants

More and more Real Estate developers and investors, in cooperation with shared mobility providers, provide their tenants with shared mobility services. Some offer a subscription service. This can be provided on top of other services offered by Real Estate operators (i.e. fitness subscriptions or co-working subscriptions).

A subscription model commonly used in practice works like this: a tenant pays a fixed amount of €20 per month and a variable amount of €5 per rental hour and €0.10 per kilometer.

### How to scale the mobility hub development?

Almost every surveyed municipality indicated that they are struggling with developing mobility hubs because this requires reaching agreements with multiple stakeholders, each with their own interests, including providers of mobility (hub) services and Real Estate developers and investors. In these agreements municipalities can stipulate service level requirements for the shared (hub) service, to safeguard that the shared mobility hubs, supplied by providing parties, serve the public interest.

At the same time, municipalities should also offer room for private parties to gradually improve their mobility service offering. After all, mobility services are evolving rapidly over time and new modes (such

as kick scooters) are being introduced.

Additionally, consumer preferences are constantly changing and both Real Estate developers and mobility providers should innovate to meet these changing preferences.

### Examples of service level agreements from municipalities

- I.e. 95% guarantee that a shared vehicle is available at the requested time.
- I.e. minimum shared mobility service period of 10 years.
- I.e. shared mobility is also affordable for lower incomes.
- I.e. shared mobility services are integrated in multiple MaaS-solutions.

### The way forward

Close collaboration between municipalities, mobility providers and Real Estate developers is key to scale shared mobility hubs in the Netherlands. This requires new types of public-private collaboration and support from third parties to shape these partnerships, and to ensure the promise of realizing mobility hubs in practice.

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