

RESEARCH REPORT

ROAD TO RECOVERY INDEX

FORECASTS PARKING'S FUTURE



FLASH

ROAD TO RECOVERY INDEX ESTABLISHES BENCHMARK

Early Insights Into Parking Industry Recovery

The Road to Recovery Index serves as an economic index and optimism indicator for the parking industry. Consecutive polls from summer of 2021 through 2022 will establish a baseline and measure rebound and recovery following the impact of the COVID-19 pandemic and a dramatic drop in business and leisure use of transportation services.

The National Parking Association (NPA) commissioned a series of polls to gather data on the recovery of the parking industry with a baseline of the Economic Industry Report conducted by EY on behalf of the industry in 2019. This pre-COVID data sets the stage for size of industry and context for a rebound to a 100% return to parking revenue.

The metrics from the polls as primary research, combined with critical analysis and secondary research, provide a view into the state of the

industry and economic factors influencing industry performance and sentiment.

Key findings will be available publicly on WeAreParking.org. Full report results and the online Economic Impact Study with sortable tables and custom regional Metropolitan Statistical Area level data by sector are also available exclusively to NPA members through the members-only portal on WeAreParking.org.

\$131B

PARKING INDUSTRY REVENUE 2019

Sources: Economic Impact Study, Parking Road to Recovery Index, and Bureau of Labor Statistics data

\$58 B

ESTIMATED REVENUE IN 2020

56% drop in revenue

18% REBOUND IN 2021

\$10 B projected



ROAD TO RECOVERY

Industry adjusts to reduced revenue with automation and quest to restore staff rapidly in rebounding markets. Diversification into logistics, security, cleaning, and materials handling take hold.

Increases in air travel and leisure travel from pandemic lows signal increases in occupancy. Recovery remains uneven across the country with central business districts lagging.

PARKING RECOVERY GAUGE

Code Orange — Beginning of Recovery

Return to Pre-pandemic Revenue Is at 50%



INDUSTRY HARD HIT BY COVID IN 2020

Industry Redlined with 56% Pullback



TOP 5 FACTORS INFLUENCING INDUSTRY OPTIMISM



1. Return to Work



2. Labor Availability



3. Increased Travel & Tourism Volume



4. Increased Event & Entertainment Volume



5. Easing Government Restrictions

The modest declines in remote work are a positive signal. Vehicle miles traveled signals driving preference. Increase in car ownership signals structural shift for drive to work.

HARDEST HIT ... IN 2020

In early March 2020, the U.S. was open and operating with some normalcy, which buoyed 2020 performance. The closure of the country from mid-March through June 2020 was the

deepest trough in economic activity with GDP dropping 8.9% between the first and second quarters of 2020. These declines and rebounds will help the industry gauge pace of recovery.



CONCLUSIONS

Parking in the United States was a nearly \$260 billion industry in 2019, with \$131 billion in direct parking revenue. The parking industry's total economic impact includes the indirect support it provides other industries, including purchases of security services, maintenance and repair services, advertising, and insurance. The sharp drop in commuting and travel, due to movement restrictions in the U.S. in 2020,

resulted in a 56% drop in parking revenue and corresponding drop in industry employment.

The Road to Recovery Index provides trackable data milestones for recovering revenue and workers and improving industry sentiment.

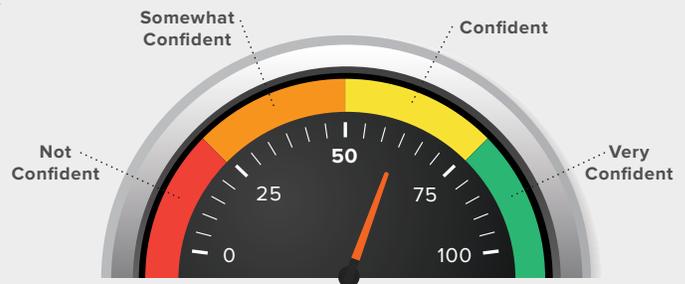
This first study will be followed by three subsequent studies in 2022 to track the pace, revenue, and sentiment surrounding the parking industry's road to recovery.

PARKING INDUSTRY OPTIMISM INDEX

Parking Industry Expects Better Business Conditions

As a result, the parking industry identifies return to work in offices as the #1 driver for an industry recovery. This is followed closely by access to labor to fill open positions resulting from labor shortages occurring after downsizing, as workers received extended unemployment benefits.

This study is made possible in cooperation with NPA and the NPA Parking United Fund, which provides multiyear funding to support primary industry research to provide deep insights into the business



and economics of the parking industry and its impact. Contributors to this project include The National Parking Association and FLASH.

WITH DIRECT SUPPORT FROM

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to advance the parking industry's research agenda.

► Road to Recovery Report available at [WeAreParking.org](https://www.WeAreParking.org) on October 5



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