



RECOMMENDATIONS ON POLICY-MAKING FOR CHANGING TRAVEL HABITS

Findings from research projects conducted for the
City of Reykjavík, Iceland

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1 Introduction – about the project

This report is one in a set of four reports and a memorandum that summarise the results of the project *Enabling City Transformations (ECT): Developing the Future of the Climate Neutral City*. The project was carried out in collaboration between the City of Reykjavík and VSÓ Consulting, with professional assistance from NetZeroCities and funded by the European Union through a grant to which the City of Reykjavík gained access on the basis of the city's Climate City Contract.

The ECT project is linked to the City of Reykjavík's goals for a carbon-neutral city and the transformation that needs to take place to achieve them. Transport and travel habits are an important factor in this development and are determined, among other things, by the city's planning, access to different modes of transport and incentives that influence the choice of travel mode. The project specifically looked at the role of parking in this context, considering how its availability, location and design can affect travel habits, land use, development and carbon footprint. The aim of the project was to increase knowledge of these connections, carry out analyses and submit proposals for tools that can be useful to the City of Reykjavík in its continued policy-making. The topic was examined from different perspectives, including from the experience and views of stakeholders, policy-making and governance tools of municipalities in the Nordic countries, and the environmental impact of different parking solutions. The project's components are interconnected and together form a basis for recommendations on continued policy-making in the field of travel habits and parking.

The project's output is summarised in four reports and a memorandum:

- *Policy-making on changing travel habits – analysis of the City of Reykjavík's policy and comparison with Nordic cities:* A literature review of how different parking policies can be implemented in different ways and a review of the available data on their impact on travel habits. A case analysis of the City of Reykjavík's policy on changing travel habits and the role of parking policy in that context. The City of Reykjavík's policy is compared with the approach of two Nordic cities at a similar latitude, Trondheim in Norway and Umeå in Sweden.
- *Parking solutions of the future – community views:* An analysis of stakeholder views on parking solutions and changing travel habits, based on interviews with property developers, real estate agents, bank employees and residents in densification areas. The aim is to shed light on the experience and perspectives of different parties and how parking arrangements can affect development, housing and travel habits.
- *Mobility hubs and the carbon footprint of parking solutions: prospects and possibilities of parking solution.* The development of the use of multi-storey car parks is examined and how they have acquired a new role in neighbourhood planning as mobility hubs. The carbon footprint of a multi-storey car park and an underground car park were compared. Also, how circular building can affect the use of buildings as well as the challenges that often arise in the design of underground car parks.
- *The Travel Habits Game:* A memorandum and data explaining *The Travel Habits Game*, a simple workshop model that is set up and presented as a board game, where participants have to choose actions together to achieve the goal of changing travel habits. The aim of the game is both to steer discussions and investigate people's

attitudes towards actions, but it can also be used as part of education and awareness-raising.

- *Recommendations on policy-making for changing travel habits:* A summary of the main results of the project, which draws together recommendations based on research, analyses and other components of the ECT project. The recommendations are intended to be useful for the City of Reykjavík's continued policy-making on changing travel habits and parking issues.

2 Policy-making on parking and changing travel habits

This report sets out recommendations and proposals for parking policy and for supporting changes in travel habits. They draw on analyses and research into attitudes undertaken as part of a collaborative project between the City of Reykjavík and VSO Consulting. Further discussion and detailed findings are presented in the reports listed in the introduction.

2.1 Policy-making on changing travel habits – analysis of the City of Reykjavík's policy and comparison with Nordic cities

This report examines how the City of Reykjavík is seeking to change travel habits and which policy measures uses to support walking, cycling and public transport while reducing reliance on the private car. It focuses on parking and how parking management can complement the city's other measures. The analysis draws on Reykjavík's main policy documents, existing research on travel habits and other cities' experience of different approaches to parking. Reykjavík's approach is compared with those of Umeå and Trondheim to identify lessons that could inform further policy development.

The main findings are as follows:

- **Develop a comprehensive parking policy**

Reykjavík could develop a comprehensive parking policy and action plan covering a wider range of measures than parking standards and charges for on-street parking alone. Public multi-storey car parks, parking free purchase schemes, pedestrianised streets and instructions for parklets are examples of measures already used in Reykjavík that are not clearly brought together under a single parking policy or parking strategy intended to support changes in travel habits.

- **Align parking policy with improvements to other modes of transport**

Changes to the supply, pricing and arrangement of parking under a comprehensive parking policy should be coordinated with the development of the City Line, Strætó services, and walking and cycling infrastructure. This would help ensure that realistic alternatives are available when access by private car is restricted via parking measures. Implementation of longer-term parking measures could begin immediately, while some measures with more immediate effects may be better introduced once alternative modes of transport have improved.

- **Establish a clear approach to workplace parking**

A new parking policy could place particular emphasis on workplace parking and set out a clear, multifaceted approach to its management. Workplace parking is an important element of action plans in other Nordic cities. Measures would also be needed to prevent parking demand from shifting to nearby streets, for example through fees and other restrictions on on-street parking and targeted use of public parking garages. The report identifies several ways to target workplace parking for Reykjavík:

- Transport contracts ("samgöngusamningar") could be developed further as an instrument for imposing opportunity costs on the use of workplace parking. A standardised framework for these contracts could be established and promoted

through incentives and guidance in Reykjavík's parking standards, building on existing practice.

- The city could work directly with individual employers to implement such agreements, or otherwise restrict workplace parking in exchange for financial incentives for non-car modes of transport. Trondheim's HjemJobbHjem programme suggests that this approach can have a substantial effect on travel habits.
- In the longer term, Reykjavík could review its current system of "developer parking fees" ("bílastæðagjöld byggingaraðila"), referred to in this report as a "parking free purchase scheme". Umeå's experience shows how this type of system can be used to reduce the supply of workplace parking in key areas and give the municipality greater control over where parking is provided and how it is priced. The report argues that a similar approach could be introduced in Reykjavík without reverting to minimum parking requirements.
- Clearer provisions could be introduced on the distance between parking spaces and the buildings they serve. In certain areas, for example, parking could be required to be at least as far from a building as the nearest public transport stop. Stavanger is among the cities that use this approach.

- **Make the procedural rules for parking fee zones more detailed**

The current procedural rules for fee zones do not clearly take into account the possibility that low utilization of parking spaces within an existing fee zone may be the result of overly high utilization of free parking in neighbouring areas. Nor do the rules clearly address situations in which parking fees imposed by private operators displace parking demand onto nearby streets. The rules also do not define the circumstances in which underutilized parking spaces could be removed and the space allocated instead to other uses. With clearer provisions on these issues, the rules could be better utilized to support changes in travel habits.

- **Identify measures for reducing on-street parking**

The City of Reykjavík has set a goal of reducing on-street parking but has not clearly specified which management measures it intends to use. The report highlights the following options for consideration:

- Revised rules for parking fee zones, as discussed above,
- Areas in which parking is only permitted where signage indicates, rather than vice-versa (Sw. *parkeringsförbudsområde*),
- Date-based parking restrictions outside fee zones (Sw. *datumparkering*),
- Resident-only parking zones (Nor. *boligsoneparkering*),
- Mobility hubs and smaller mobility stations,
- Parking spaces converted into parklets at residents' initiative,
- Pedestrianised streets.

- **Make transport assessments ("samgöngumat") and transport policies ("samgöngustefna") in parking standards more precise**

The current provisions on transport assessments and transport policies could be developed in several ways:

- Clearer criteria or examples could be provided for circumstances that justify more parking spaces than the standard allocation. Current guidance explains what may

justify a reduction, but not an increase. Without clearer criteria, there is a risk that more spaces will be provided than are needed.

- As in other Nordic cities, reductions in parking provision could be permitted on the basis of proximity to main bicycle routes or important local services. Proximity to public transport is currently the only consideration in Reykjavík's parking standards.
- Transport policies could specify a more numerous and diverse list of possible actions. Separate lists could be developed for residential and commercial developments, with each action linked to a specified reduction in the number of parking spaces according to its expected effectiveness. This would give developers clearer incentives and more opportunities to reduce parking spaces by selecting more effective measures. Umeå, Stockholm, and Gothenburg demonstrate three different systems for listing and incentivizing more effective measures. Among the new measures that could be considered are:
 - Information packs for new residents or other building users on available travel options, followed by regular updates.
 - Access to shared electric bikes or cargo bikes, trial periods for their use, and digital booking systems.
 - Free annual bicycle servicing.
 - Information screens showing real-time public transport information.
 - Facilities for receiving and temporarily storing deliveries, including furniture and refrigerated goods.
 - Shared workspaces in residential buildings.
 - Free public transport passes for new residents or building users, where a transport contract does not apply.
 - Locating parking spaces at least 500 m from the building.
 - Separating the cost of parking from the purchase price or rent of the property.
 - Introducing parking fees.
 - Improved transport contracts, as described above. If designed effectively, these could perform a similar function to workplace parking fees.

- **Use encouragement measures to support major changes**

Financial incentives, information and other measures that encourage people to use alternative modes of transport can support changes in travel habits, particularly when introduced alongside improvements to the transport system, changes to parking arrangements and new development. They are likely to be most effective in places and at times when realistic alternatives to the private car are available. Examples of such measures include subsidies, trial periods for alternative modes of transport, information on travel times by bicycle, events to encourage winter cycling, grants for the purchase of equipment for winter cycling or cargo bikes, and incentive packages for companies such as those offered via the HjemJobbHjem initiative in Norway.

2.2 Parking solutions of the future – community views

This report examines the views of property-sector professionals and residents on parking solutions for new residential developments and consider how parking arrangements relate to property development, residential location and travel behaviour. The interview study was conducted in two phases. In May 2025, interviews were conducted with

professionals working in property development, estate agency and employees in the banking sector. In April and May 2026, interviews were conducted with 16 residents of three recently developed densification areas in Reykjavík. The first phase focused primarily on demand for parking, its effects on the marketability of homes, and different approaches to the development, financing and operation of parking facilities. The second phase explored on residents' reasons for choosing where to live, their travel habits and their experience of different parking solutions. Bringing these perspectives together provides a comprehensive picture of how parking is valued by those who develop, finance and sell residential property and by the people who live there.

The main findings of the study are as follows:

- **Flexible access to parking rather than ownership**

For both residents and property-sector professionals, access to a parking space when needed appears to be more important than ownership of a specific space. Residents were generally positive about renting parking spaces, while estate agents believed that buyers were becoming increasingly accustomed to parking spaces being sold or rented separately from homes. Flexible arrangements can allow households to adapt their access to parking as their needs change and avoid paying for spaces they do not use.

- **Better utilisation through the rental and shared use of parking spaces**

Rental arrangements can create greater opportunities for shared use than arrangements in which parking spaces are tied to individual apartments. The potential for shared use is particularly high in mixed-use areas, where residents, employees and customers may use the same spaces at different times of day. According to interviews with bank representatives, property companies have shown an interest in operating multistorey car parks, particularly in central areas where high utilisation can strengthen the business case. Parking could increasingly be regarded as shared infrastructure that can be managed and used collectively, rather than as a resource tied to a single user over an extended period.

- **Improvements to alternative modes alongside changes in parking provision**

A central residential location does not automatically result in changes in travel habits. The quality of walking and cycling routes, proximity to services and the reliability of public transport strongly influence whether people are able and willing to reduce their car use. Restrictions on parking provision should therefore not be introduced as an isolated measure but should be accompanied by timely improvements to alternative transport options. For a central location to contribute to changes in travel habits, the surrounding environment must support safe, convenient and efficient journeys without a car.

- **Freedom of movement and a genuine choice of transport mode**

For the interviewees, reducing car use did not necessarily mean living entirely without a car. Many had chosen a central residential location so that they could walk, cycle or use public transport more frequently, while still wanting access to a car for journeys that were difficult to make by other means. Policies intended to change travel habits should therefore aim to expand people's genuine transport choices and reduce the need for daily car use, rather than assume that residents of central areas will live entirely without cars.

- **Parking solutions tailored to location and residents' needs**

Demand for parking is not uniform. Interviews with estate agents and developers indicate that larger and more expensive apartments are more difficult to sell without guaranteed access to parking and that older buyers generally place greater importance on parking than younger buyers. At the same time, the resident interviews suggest that parking arrangements may be less influential in residential choices where there is good access to services, employment and a range of transport options. Parking standards should therefore take account of location, housing mix, anticipated resident groups and access to alternative modes of transport.

- **The social impacts of parking policy**

The interviews raised concerns that apartments without parking spaces were often smaller or less expensive and that rental properties were less likely than owner-occupied properties to include parking. However, limited data are available on how these effects are distributed among different social groups. It cannot be assumed that lower-income households or tenants have less need for a car, as their needs may depend on working hours, the locations or number of their workplaces, or the need to transport tools and equipment. Further research is needed to examine how the costs and changes associated with access to parking are distributed among social groups and to ensure that policy changes do not disproportionately affect people with limited scope to alter their travel habits.

- **The effects of parking standards on surrounding areas**

Limited parking provision within new development areas can increase demand for parking on nearby streets and in spaces belonging to shops and service providers. Interviewees described dissatisfaction among neighbours and businesses when residents used parking spaces intended for other users. The available evidence is insufficient to determine the extent of such spillover effects, but these accounts indicate that parking provision and management should be assessed across a wider area rather than solely at the level of individual development plots. The effects of parking charges, time limits and other management measures on residents, businesses and customers should also be monitored.

- **The development of shared multistorey car parks**

Developers generally did not consider it necessary for parking to consist of individually owned spaces in underground car parks beneath each building. Six of the eight developers expressed a positive or open attitude towards shared multistorey car parks, although they also identified obstacles such as uncertainty regarding their operation, financing and timing, as well as residents' preferences. Necessary amendments to planning documents may also delay construction and increase financing costs. To facilitate the development of shared multistorey car parks, provision for them should be made early in the planning process, and the arrangements for their development, operation, accessibility and pricing should be clearly defined.

2.3 Mobility hubs and the carbon footprint of parking solutions: prospects and possibilities of parking solution

In Iceland, multistorey car parks are most familiar as facilities serving shops and service centres. There is less experience of centrally located multistorey car parks serving residential neighbourhoods. Elsewhere, neighbourhoods have been developed with fewer parking spaces on residential streets and parking instead provided in a shared

multistorey car park. This part of the ECT project examined how multistorey car parks have evolved and taken on a wider role as mobility hubs in neighbourhood planning. It considered examples of buildings that provide services beyond car parking, including adaptable structures that could be converted to other uses if demand for parking falls. The project also compared the carbon footprint of spaces in an underground car park and a multistorey car park, both per parking space and per square metre, and examined the design challenges associated with underground car parks beneath buildings.

The main findings for neighbourhood and parking planning are as follows:

- **Provide for above-ground multistorey car parks in local development plans**

Planning documents establish the framework for routes and parking within a neighbourhood. They therefore provide an opportunity to consolidate parking in a multistorey car park. The car park should be considered as part of the neighbourhood as a whole, with road access, walking and cycling routes, and connections to public transport planned together. The layout should support a range of modes of transport.

- **Provide direct and accessible routes between the car park and homes**

Routes between the multistorey car park and homes should be direct, accessible and attractive. The car park should provide space for bicycles and e-scooters. Residents should also be able to drive up to their buildings to drop off people or large items, even where they cannot park there. Providing electric cargo bikes for hire could help residents transport goods between the car park and their homes, addressing part of the 'last mile' challenge.

- **Make the benefits of removing parking from residential plots visible**

Moving parking away from residential buildings frees space that can instead be used for greenery, playgrounds and sports facilities. This makes the benefits of the change tangible for residents and can improve the quality of the neighbourhood.

- **Develop multistorey car parks as mobility hubs**

A multistorey car park can serve as a mobility hub if it has good connections to public transport and space for other services. Residents could then use a visit to the building for more than parking their car.

- **Provide public transport from the outset**

Public transport should be available when the first residents move into a new neighbourhood, before reliance on the private car becomes an established habit. Discounted fares or a free trial period could encourage residents to try public transport as an option for their journeys.

- **Safeguard land for parking that may be needed later**

Where there is uncertainty about whether the planned car parks will meet demand, land could be set aside for additional parking spaces if they prove necessary, called "virtual parking space". In the meantime, it could be used as a public green space. This preserves the option to increase parking provision without requiring the land to be used for parking from the outset.

- **Encourage adaptable buildings**

Developers could be supported in building multistorey car parks designed for conversion to other uses if demand for parking decreases in the future.

- **Consider the carbon footprint of each parking solution**

The project found that the carbon footprint per parking space was considerably lower in the multistorey car park examined. It was designed specifically for parking, allowing the available space to be used efficiently. The underground car park used for comparison was relatively simple. Where underground car parks are more complex to design and build, their carbon footprint per space may be higher.

2.4 The Travel Habits Game

The Travel Habits Game was developed as a workshop tool for planning and transport professionals. It provides a framework for discussion across disciplines, municipalities and stakeholder groups. Many factors shape travel habits, and responsibility for the measures that influence them is spread across different organisations. In the pressures of day-to-day work, each organisation may focus on the measures within its own remit, leaving too little opportunity to develop a shared, overarching approach.

The game is available for anyone to use. It can help participants consider how different measures interact, support collaborative planning and build a shared understanding of their potential effects. It can also be used for education and awareness-raising. As a research method, each group of players can be treated as a focus group, with research questions tailored to the purpose of the session.