



- 8.4** **INTEGRATED TRANSPORT STRATEGY: PAID PARKING POLICY UPDATE**
- WARD:** **WHOLE OF MUNICIPALITY**
- GENERAL MANAGER:** **CLAIRE FERRES MILES, PLACE STRATEGY & DEVELOPMENT**
- PREPARED BY:** **LEIGH ABERNETHY, INTEGRATED TRANSPORT STRATEGY PROGRAM COORDINATOR**
JOHN BARTELS, COORDINATOR SUSTAINABLE TRANSPORT
THOMAS COURTICE, STRATEGIC TRANSPORT PLANNER
- TRIM FILE NO:** **30/09/26**
- ATTACHMENTS:**
- 1. CoPP Existing Paid Parking Zones**
 - 2. MR Cagney CoPP Paid Parking Polciy Recommendations Report 10 April 2017**
 - 3. MRCagney - Fishermans Bend Parking Report Recommendations Report - 10 April 2017**
 - 4. Paid Parking Policy Recommendations priority area analysis_23May17**
 - 5. Paid Parking Priority Area Map 2017**
 - 6. Paid Parking Implementation Plan Recommendations 2017**

PURPOSE

This report is the first of a series that will be required to consider progressive topics within the Integrated Transport Strategy development. The first to be considered in detail is the proposal to create a new Paid Parking Policy, its relationship to other parking management mechanisms and how changes can be implemented over time.

I. RECOMMENDATION

That Council:

- 1.1** Notes the progress update on the development of the Integrated Transport Strategy.
- 1.2** Notes that a Council report on a Strategic Business Case for paid parking technology procurement and implementation will be presented at a future Council meeting for decision.



- 1.3 Endorses the draft paid parking objectives, triggers for reviewing parking controls and paid parking policy table as the basis for a Paid Parking Policy as part of Council's proposed Parking Management Plan.
- 1.4 Notes the following changes to paid parking operations to be introduced from 1 July 2017 for a full year and subsequently reviewed:
 - 1.4.1 Waterfront Place – Seasonal paid parking pricing discount over the winter months (July – August 2017 and June 2018).
 - 1.4.2 South Melbourne – Removing the 10 minutes free parking to provide consistent municipal-wide application
- 1.5 Informs the local community and implements on-street paid parking within the Sandridge and Montague neighbourhoods, supported by the introduction of appropriate time based controls between Boundary Street and Bridge Street North of Williamstown Road and in the uncontrolled residential area South of Williamstown Road bounded by Ingles, Evans and Bridge Streets to protect residential access to parking.
- 1.6 Notes that as a result of Recommendation 1.4 there is expected to be a reduced income for Council of approximately \$41,500 excluding GST for the three month period during 2017/8. Changes in income for other areas will be calculated and reported on a financial quarterly basis.

2. BACKGROUND

- 2.1 On 8 December 2015 Council considered a report on Fitzroy Street Action Plan - Update & Vibrant Villages Paid Parking Review which endorsed the following:
 - commencement of an Integrated Transport Strategy for the City of Port Phillip, which considers the relationship between 'movement and place', including a municipal review of Council's paid parking policy, to better understand and quantify the challenges of a growing city,
 - noted the initial findings of the Vibrant Villages Paid Parking Review.
- 2.2 As part of the development of the Ferrars Streetscape precinct and Montague Park in Fishermans Bend a number of reports have been considered by Council from 14 June, 09 August, 23 August and 16 September 2016 specifically relating to land use and road changes, and consequential on-street car park removal.
- 2.3 On 5 April 2017 Council endorsed a modified approach to the Ferrars Streetscape precinct and Montague Park works to preserve parking and reflect the needs of existing creative industries in Surveyors Place.

Development of the City of Port Phillip Integrated Transport Strategy (ITS)

- 2.4 Port Phillip's transport task is growing rapidly, due to internal and wider metropolitan population and jobs growth. This will lead to a number of pressures on the transport network and increased demand for limited supplies of car parking resulting in higher demand for enforcement and integration of systems to effectively manage these services.



- 2.5 The development of the City of Port Phillip Integrated Transport Strategy (ITS) commenced in September 2016 with the appointment of a Program Coordinator and approval of the project delivery plan.
- The development of the ITS has three basic phases:
- Phase 1: Evidence Base: What do we need to know and need to understand?
 - Phase 2: Setting the Direction: Where do we want to get to?
 - Phase 3: Developing the key moves: What changes do we need to realise (Policy, Process, Approach, Assets)?
- 2.6 The development of the ITS seeks to fulfil the following objectives:
- Develop an evidence base to inform and influence decisions on transport, parking management and city life in the context of our city's buildings, streets and neighbourhoods.
 - Address existing issues in respect to transport, parking management and city life whilst preparing the city in response to future challenges.
 - Building the capabilities of the local community to understand the dilemma, key concepts and the impact of different options and trade-offs.
 - Provide a coordinated and city-wide approach to determining and sequencing 'key moves' (across: improving bedrock service delivery, strategic shifts and game changers) by the organisation.
- 2.7 Developing the ITS and a Parking Management Plan has been identified in the Draft Integrated Council Plan 2017-2027 as a key strategic priority to enable Council to respond to the challenges of population growth, accessibility, transport options and car parking.
- 2.8 The first phase of the ITS has focused on developing an evidence base to inform and support decisions on transport, parking management and city life in the context of our city's buildings, streets and neighbourhoods. This has included commissioning the following reports and data collection:
- City of Port Phillip Paid Parking Policy Recommendations Report (MR Cagney & SGS Economics) – COMPLETE
 - Fishermans Bend Paid Parking Report (MR Cagney) - COMPLETE
 - Trip generation, mode split and parking rates research (Ratio & IPSOS) – ONGOING
 - ITS Discussion Paper (AECOM) – ONGOING
 - Parking Technology and Integration Program – ONGOING
 - Parking Management Municipal Benchmarking Survey – ONGOING
 - Parking Inventory Mapping (RapidMap) - ONGOING
 - Community Place Insights (PlaceScore) – ONGOING



Why do we use paid parking?

- 2.9 Paid parking has been proven to increase the turnover of the limited on-street parking spaces and improve parking availability when implemented in a coordinated way, enabling more equitable access to on-street parking for various users including visitors, residents and local employees. This occurs predominantly in retail/commercial areas.
- 2.10 Paid parking also supports the broader transport objective of encouraging uptake of walking, bike riding and public transport for different journeys.
- 2.11 The revenue generated from paid parking on the foreshore directly funds the maintenance and improvement of the foreshore parkland, in accordance with the Foreshore Management Plan.
- 2.12 As our population expands and density increases, the property and use value of our road space also increases. We have more people competing to use a finite amount of space for vehicles that could also be used for other transport, environmental and economic activities.
- 2.13 Therefore paid parking assists in allocating the scarce road space resource or off street parking spaces to reflect its convenience, particularly in locations of high demand for parking or high potential for alternative uses for space, eg. Wider footpaths or alternative land uses.
- 2.14 Currently, there are three tiers of pricing in paid parking areas controlled by Council across the city mapped in **Appendix I: CoPP Paid Parking Areas**, including maximum all day fees that correspond to these tiers–
 - (A) Foreshore \$5.10/hr – All Day \$12.30
 - (B) Activity Centre \$3.70/hr – All Day \$11.80/12.30 (precinct dependent)
 - (C) Activity Centre \$1.70/hr – All Day \$6.30/8.70 (precinct dependent)

3. KEY INFORMATION

- 3.1 The development of the ITS will incorporate a consistent city-wide approach to paid parking. Recognising the need to address pre-existing issues, the recommendations within this Council Report provide an opportunity to pilot the application of a new paid parking approach and enable refinement in advance of completing the Parking Management Plan as a component of the ITS.
- 3.2 Paid parking will encourage more efficient use of the existing supply of on-street parking through increasing parking turnover and provide suitable levels of parking availability, enabling more equitable access to on-street parking for different users in our City's neighbourhoods.
- 3.3 The MRCagney consultancy report commissioned by Council officers and the subsequent officer review and assessment have aimed to provide a clear, robust and evidence based methodology for paid parking, coupled with a consistent and transparent application and implementation across the municipality.



**City of Port Phillip Paid Parking Policy Recommendations Report April 2017
(MR Cagney & SGS Economics)**

- 3.4 Council manages parking to achieve a range of outcomes, however it does not currently have a paid parking policy, and as such the application of paid parking in the City of Port Phillip reflects a range of historical and practical responses across the municipality over time. This has led to a fragmented approach to the application of the level of fees and the types of controls applied across different parts of the municipality.
- 3.5 Council commissioned transport planning consultants MR Cagney Pty Ltd and economic analysts SGS Economics and Planning to prepare a Paid Parking Policy Recommendation Report to support the development of a Paid Parking Policy by Council officers. See **Attachment 2: City of Port Phillip Paid Parking Policy Recommendations Report April 2017.**
- 3.6 The consultants were tasked to identify a clear policy basis for a new price structure; benchmark pricing structure against other inner city councils; recommend a data collection regime; identify triggers for review of parking restrictions, introduction/removal of paid parking and new fee levels; and outline the seasonal implications and staged implementation requirements.
- 3.7 Concurrently, MR Cagney Pty Ltd was also commissioned to complete a report recommending the introduction of paid parking (using their methodology) and associated parking controls into a part of Fishermans Bend that crosses both Sandridge and Montague. This project required undertaking parking surveys for the subject area to support the recommendations. See **Attachment 3: Fishermans Bend Paid Parking Report**
- 3.8 This area of the municipality was identified for detailed analysis for a number of reasons
- Currently parts of the area experience very high demand during the day, with difficulty finding a parking space (particularly the eastern parts of the area) and thereby increasing road congestion as people 'cruise' for available parking space.
 - The area is in transition and the implementation of paid parking in advance of the occupation of new higher density residential and mixed use developments is necessary to limit any expectations of free on-street parking for new residents and the formation of new travel behaviours.
 - The area is located in close proximity to the Melbourne CBD and Docklands and is unusual in providing a large amount of free all day parking.
- 3.9 The Paid Parking Policy Recommendations Report proposes five core policy principles and nine recommendations. The five core principles include:
1. The role of Paid Parking Management
 2. Align with CoPP's Sustainable Transport Strategy guiding principles
 3. Triggers for application of paid parking
 4. Technological advances
 5. Determining the right price for parking



- 3.10 The nine recommendations cover the following topics:
1. CoPP Paid Parking Policy Summary Table
 2. Parking Management responses through use of triggers
 3. Parking revenue for transport investments
 4. Review changes to current paid parking fee levels
 5. Periodically review of occupancy data to capture any change over time
 6. Differential Off-street / On-street paid parking fee setting
 7. Investigate new technologies like Parking Overstay Detection Systems (PODS)
 8. Review of the Parking permit policy to ensure consistent policy alignment
 9. Removal of the daily parking rate

Council Officer Assessment of Paid Parking Policy Recommendations Report

- 3.11 Key learnings from the application of these draft recommendations reflect the challenging and complex nature of this topic - there is no single solution to parking issues and modelling of anticipated benefit (including revenue) is limited and making changes will require an iterative approach to learn through action.
- 3.12 Council officers have built upon the work completed by MR Cagney by undertaking an application of the recommended parking management triggers and the Paid Parking Policy Summary Table across a number of key areas in the municipality to determine how this would change any current conditions or prices. The two main factors of influence that drives the introduction or change of paid parking is a high level of parking demand (measured as parking occupancy over 80%) and land use change.
- 3.13 This has included the application of the triggers into four categories as applied to the sub-neighbourhood level:
- Average occupancy exceeds 80% across a 4 hour period
 - Significant change of land use eg. Industrial to commercial/mixed use
 - Significant change of planning scheme controls resulting in land use zoning/density to facilitate more intensive redevelopment
 - Substantial change to on-street parking supply
- 3.14 The **Attachment 4: Paid Parking Policy Recommendations Priority Area Analysis** illustrates the result of this application to sub-neighbourhood areas that have both paid and non-paid parking controls. The spatial extent of the sub-neighbourhoods are illustrated in the map in **Attachment 5: Paid Parking Priority Area Map 2017**
- 3.15 This initial spatial application of the recommendations indicates that most locations assessed will result in either an increase of price or installation of paid parking where none currently exists. However, it also revealed that a number of factors contributing to or impacted by paid parking will need to be further developed as part of the Paid Parking Policy. This includes:
- seasonal changes in parking occupancy (not captured by traditional occupancy data collection methods)
 - using data that is less than 2 year old for occupancy (in areas of low land use change);



- A broader range of price tiers to enable finer levels of parking pricing adjustment to align with proximity to activity centre core and public transport nodes;
 - status of activity centre economic health.
- 3.16 Council officers' assessment of the MR Cagney report recommendations has identified that as part of implementing changes to paid parking on-street, these need to be accompanied by changes to physical assets (signage and parking machines), technology software and hardware deployment (parking sensors), and operational enforcement support (staff).

Paid Parking Technology and Integration Program

- 3.17 Concurrent with the ITS project is a program of work being developed by the parking enforcement, finance and business technology areas that is focused on modernising the Council parking management technology to respond to changed industry standards, technologies and payment functions.
- 3.18 The scope of this program includes:
- Upgrade of 270 paid parking machines, including 50 credit card machines, from 2G to 3G network
 - Parking Machine rationalisation
 - Investigation of parking sensor technology
 - Investigation of alternative payment options for paid parking
- 3.19 One type of parking sensor technology currently used by other councils is the parking overstay detection devices (PODS). This type of technology can serve the dual purpose of accurate remote non-compliance detection for enforcement officers, and also capture constant occupancy data. To adopt the recommended Paid Parking Policy trigger of a peak range of occupancy, regular and accurate data collection will be essential.
- 3.20 Revenue generated by paid parking, permits and infringement comprises the second highest contribution to Council's overall budget and is used directly to fund both upgrade and renewal of roads, footpaths and the foreshore; plus numerous community development programs and services.
- 3.21 The scope of both the Paid Parking Policy and the Parking Management Plan (which includes the other components of the parking management system like permits) will include an analysis of the budget implications of policy changes to ensure Council can plan future budgets accordingly.
- 3.22 To deliver the parking management technology improvements outlined, a Strategic Business Case is required. This will define the performance specifications for a procurement tender including parking sensor technology, alternative payment systems, parking machine rationalisation, and supporting service and business technology changes.
- 3.23 The Strategic Business Case will be presented to Council for consideration to proceed to tender in financial year 2017/2018.



Implementation of Council Officer Assessment

- 3.24 The **Attachment 6: Paid Parking Implementation Recommendations 2017** outlines the next steps proposed to commence implementation of changes across priority areas and finalise the Paid Parking Policy.
- 3.25 Notably, a number of the recommended pricing changes outlined in the **Attachment 4: Paid Parking Policy Recommendations Priority Area Analysis** have been delayed in lieu of additional occupancy data being gathered as part of the Paid Parking Technology and Implementation Program.
- 3.26 Fishermans Bend and to a lesser extent South Melbourne and St Kilda Road will be the epicentre of the forecast growth in both population and jobs. Other parts of Port Phillip will experience more incremental growth, and the pressures may be less dramatic.
- 3.27 Transaction data sourced from existing parking machines across the municipality also demonstrates a seasonal winter drop in visitation in some areas, such as the foreshore. This is not experienced in other parts of the city, such as South Melbourne and St Kilda Road, where there is a relatively consistent level of annual usage.
- 3.28 Both of these conditions, combined with requests from both our resident and business communities, has led to the following list of prioritised locations for implementation over the next 3-5 years.
- Waterfront Place / Station Pier, Port Melbourne
 - Sandridge and Montague - Fishermans Bend
 - South Melbourne
 - Fitzroy Street, St Kilda
 - St Kilda Road North, Melbourne
 - Carlisle Street, Balaclava



FURTHER SUPPORTING INFORMATION

4. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

4.1 Paid parking delivers on several objectives from the “Engaged” and “Vibrant” sections of the Council Plan. Specifically it addresses the following focus areas:

- Value transparent processes in Council decision making
- Ensure people can travel with ease using a range of convenient, safe, accessible and sustainable travel choices

5. CONSULTATION AND STAKEHOLDERS

5.1 A number of areas across Council and externally have been involved in the development of this report and attachments. These staff will also be core contributors to the completion of the Parking Management Plan, Strategic Business Case and the future implementation of paid parking changes. Areas include:

- Sustainable Transport
- Parking Enforcement
- Transport Safety Engineering
- City Strategy
- Community Relations
- Economic Development
- Transport for Victoria

6. LEGAL AND RISK IMPLICATIONS

6.1 No major risks to Council have been identified.

7. SUSTAINABILITY – Triple Bottom Line

7.1 ENVIRONMENTAL IMPLICATIONS

- ITS goals align with that of the Toward Zero carbon emissions targets adopted in 2014.
- Paid parking is a travel demand mechanism that is available to Council to uptake travel choices toward sustainable transport options of walking, cycling and public transport.

7.2 SOCIAL & CULTURAL IMPLICATIONS

- Essential users will be catered for in the designation of spaces.
- Providing time controls enables access to parking for those not able to pay but can walk further to reach their destination.
- Revenue received from paid parking directly contributes to the delivery of Council Services to the local community.



7.3 ECONOMIC IMPLICATIONS

- Establishing an appropriate price for parking in precincts across the municipality encourages adequate turnover of parking spaces and ensure sufficient availability of parking in different areas of our city.
- Business representatives have been actively communicating with Council regarding their concerns over paid parking prices in specific activity centres, informing the prioritisation of these locations.
- Both the proposed implementation and the review process for changes to paid parking and parking controls in activity centres will include direct communication with the relevant business representative groups and impacted businesses.

7.4 FINANCIAL IMPLICATIONS

Financial

- Anticipated impacts on Financial Year 2017/18 income if Waterfront Place and Station Pier car parking pricing was reduced to the lowest tariff of \$1.80/hour for July and August 2017 and June 2018 is approximately \$41,500 ex GST.
- This is based on winter 2016 transaction data for the months of June to August inclusive and based on the following price reductions:
 - > Hourly from \$5.20/hr to \$1.80/hr (incl GST)
 - > Daily/max from \$12.60 to \$8.50/hr (incl GST)
- Note: If we were to make it free for the three months the anticipated impact is reduced income of \$80,800 ex GST.
- The impact to the paid parking revenue for both Sandridge/Montague and South Melbourne are difficult to predict, therefore a financial quarterly assessment of the income changes is proposed to assess the trend for future budget projections.
- As part of the development of both the ITS and the Paid Parking Technology and Integration Program, a Paid Parking Pricing Management Tool is being developed to accurately assess
 - > the generation of pricing yields,
 - > impacts to budget, including gross revenue
 - > precinct specific paid parking information
 - > predictive information such as paid parking
- Results of this analysis from the application of this tool are expected to be received by early July 2018, and used to inform the development of both the Paid Parking Policy and the Strategic Business Case.



Resource and Asset Costs

- Paid Parking Technology and Integration Program will investigate the use of 'pay by phone' and as such the cost to introduce and maintain paid parking could be reduced compared to areas exclusively fitted with parking meters.
- Given the size of the new area proposed in Sandridge/Montague, it is likely that there would be implications for parking enforcement staffing resources. This may be reduced if options such as the installation of sensors to improve the effectiveness of enforcement are included within the scope of this project.

8. IMPLEMENTATION STRATEGY

8.1 TIMELINE

- A broad timeline for completion of a Paid Parking Policy and staged implementation of changes to on-street paid parking and time controls is outlined in **Attachment 6: Paid Parking Implementation Recommendations 2017**
- A summary of key dates is as follows:

July-August 2017	- Waterfront Place reduction in fees
August 2017	- South Melbourne removal of 10min free zone
September 2017	- Council Report to endorse the Paid Parking Strategic Business Case (inclusive of Paid Parking Policy) - commence planning for local changes to on-street parking in Sandridge/Montague and associated areas of Port Melbourne, including liaison with local community and businesses
December 2017	- Paid Parking Technology Upgrade Tender Released - Parking Management Financial Model prepared
March 2018	- Council report to approve Paid Parking Technology Upgrade Tender - Community and businesses informed of final parking changes and PODs installation
April 2018	- Commence installation of parking payment system, signage and PODs in Sandridge and Montague - Commence installation of PODs in Waterfront Place, Fitzroy Street, Carlisle Street and designated foreshore areas.
May 2018	- review of all data captured to contribute to ITS and Parking Management Plan
June 2018	- review of all data captured to scope a more detailed delivery plan for year 2 and 3



8.2 COMMUNICATION

- It is recommended that Council work with the local community and businesses directly impacted by the proposed parking control changes both via written information and face to face meetings.
- It is also recommended to access existing community and business representative groups to enable relevant information to be disseminated and shared within the networks of groups represented by members:
 - Fishermans Bend Community Forum (Sandridge/Montague)
 - Port Melbourne Business Association (Waterfront Place/Station Pier)
 - Fitzroy Street Business Association (Fitzroy Street)
 - Vibrant Village Partnership Groups (South Melbourne & Balaclava)
 - Liaison with Melbourne Metro Project Team & VicRoads (St Kilda Road North)
- Information will also be made available on Council's website for the general public to view.

9. OFFICER DIRECT OR INDIRECT INTEREST

- 9.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.