



12.2 PARKLET POLICY

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1. PURPOSE

- 1.1 To seek Council endorsement of the Business Parklet Policy and Business Parklet Guidelines.

2. EXECUTIVE SUMMARY

- 2.1 Over the last summer, Council initiated a trial of business parklets to support hospitality traders whose indoor capacity was restricted due to the COVID-19 pandemic. The trial is due to complete in December 2021. No fees have been collected during this period.
- 2.2 The trial demonstrated various benefits to neighbourhoods and activity centres, in addition to assisting businesses respond to COVID-19. It is therefore recommended to allow business parklets to be permitted in an ongoing capacity, both seasonally and annually, in a similar way to how Council currently permits footpath trading.
- 2.3 Council has carried out two stages of consultation with the wider community and traders (**Attachment 1 and 2 contain the engagement reports**). This has revealed that the community is largely supportive of Business Parklets. The feedback has fed into the development of the final policy and guidelines to implement the scheme.
- 2.4 The Business Parklet Policy (**Attachment 3**) outlines Council's position on implementing business parklets. The Business Parklet Guidelines (**Attachment 4**) is a public facing document which will guide both applicants, interested members of the community and Council Officers in applying and considering applications.
- 2.5 It is proposed that no fees for parklets are charged this financial year, given the impacts on small businesses at this time. Parking spaces are a valuable resource and there are very different community views on the highest and best use of this land. As the policy Council is considering is a longer-term policy, it is considered appropriate to outline a general philosophy for parklet fees that could be enacted at some point into the future as the local economy recovers. Under this philosophy parklet fees would be set in a similar way to outdoor dining, linked to a percentage of average retail rents for an area. The next valuation of retail rents is due in March 2022 and this will give a good indication of the impact of the pandemic on small businesses. This data as well as feedback from parklet permit holders will enable Council to consider when parklet fees may be sensibly introduced and the impact on businesses of Council charging a fee.



3. RECOMMENDATION

That Council:

- 3.1 Notes the feedback received through Stage 1 and Stage 2 community consultation on the Parklet Policy as outlined in **Attachments 1 and 2**.
- 3.2 Endorses the Business Parklet Policy and Business Parklet Guidelines as outlined in **Attachments 3 and 4**.
- 3.3 Endorses that no fees be charged for parklets for the entire 2021/22 financial year to support the recovery of small businesses.
- 3.4 Notes that given parking spaces are a valuable resource and there are different views on the highest and best use of this land, that the long-term policy includes a philosophy that parklet fees be set in a similar way to outdoor dining.
- 3.5 Notes that the next valuation of retail rents is due in March 2022 and this together with feedback from parklet permit holders will enable Council to consider when parklet fees may be sensibly introduced at some point in the future but not before 1 July 2022.
- 3.6 Authorises the CEO to make any editorial amendments required to the Business Parklet Policy and Business Parklet Guidelines that do not materially change the intent of the documents.
- 3.7 Commences the ongoing permitting scheme in accordance with the endorsed Parklet Policy and Business Parklet Guidelines.

4. KEY POINTS/ISSUES

- 4.1 In September 2020 the Victorian Government announced under Planning Scheme Amendment VC139 that venues would be able to utilise open spaces including streets, footpaths and carparks to add to venue capacity.
- 4.2 Businesses covered by the exemption included restaurants, cafes, bars and hotels. The exemptions overrode conditions on existing planning permits, providing businesses more flexibility on how they use their own land. The exemptions applied while Victoria remained in a State of Emergency, and for 12 months after the State of Emergency had been lifted.
- 4.3 In parallel with this announcement, Council allowed businesses to expand their outdoor dining via a range of outdoor activations including the creation of business parklets, typically in unpaid parking spaces.
- 4.4 Any new or expanded activations of the public realm were required to meet specific design and operations requirements including obligations related to health and safety, accessibility, equipment, insurance and indemnification.
- 4.5 On 21 July 2021 Council endorsed the Draft Business Parklet Policy, Draft Business Parklet Guideline and the Draft Fee Structure for consultation with the community and businesses.
- 4.6 The State Government has indicated it will continue to support outdoor dining with funding, however, we are still waiting for confirmation of the amount. Neighbouring Councils are working towards implementing permanent policies to support outdoor dining in parklets such as the City of Melbourne.



- 4.7 Council has extended the majority of (temporarily issued) Business Parklet permits until December 2021 (October 2021 in the case of parklets located in Ormond Road, Elwood) in order to allow for an ongoing policy to be developed and implemented. The policy will allow Council to continue to support extended outdoor dining in Business Parklets in the coming years.
- 4.8 Council has carried out two rounds of consultation with the wider community and traders. The first stage was to gauge the general level of community support and inform the policy development while the second stage specifically sought feedback on the proposed draft policy, guidelines and fee structure (**Attachments 1 and 2 contain the engagement reports**).
- 4.9 The first stage of consultation demonstrated that the community is largely supportive of Business Parklets. The feedback from the first stage was used in the development of the draft policy and associated documents. The second stage of consultation focussed specifically on the draft policy, guideline and fee structure.
- 4.10 The Business Parklet Policy (**Attachment 3**) provides a general overview of Council's position on implementing business parklets. The Business Parklet Guidelines (**Attachment 4**) is a public facing document which will guide both applicants and Council Officers in applying and considering applications.

Fees

- 4.11 All current parklet permits have no fees associated with them. It is proposed that no fees for parklets are charged this financial year, given the impacts on small businesses at this time. Parking spaces are a valuable resource and there are very different community views on the highest and best use of this land. As the policy Council is considering is a longer-term policy, it is considered appropriate to outline a general philosophy for parklet fees that could be enacted at some point into the future as the local economy recovers. Under this philosophy parklet fees would be set in a similar way to outdoor dining, linked to a percentage of average retail rents for an area. The next valuation of retail rents is due in March 2022 and this will give a good indication of the impact of the pandemic on small businesses. This data as well as feedback from parklet permit holders will enable Council to consider when parklet fees may be sensibly introduced and the impact on businesses of Council charging a fee.

Hostile vehicle mitigation

- 4.12 Vehicles used as weapons in public spaces has been an emerging issue in recent years. Hostile vehicle mitigation seeks to respond to this through the use of physical measures in the design of public spaces. Officers have engaged with neighbouring Councils, the DoT and Victorian Police regarding the incorporation of hostile vehicle mitigation in Business Parklets.
- 4.13 Most Councils have utilised state funding during the 2020/2021 financial year to provide protection from vehicle strikes such as water filled barriers (Stonington) or concrete blocks (Hobsons Bay). However, this approach does not represent a long-term strategy to protection of business parklets as it relies on continuous financial support from state funding.
- 4.14 The City of Melbourne is implementing a Road Safety Audit for each parklet and is providing protection where identified as necessary at the cost of Council.
- 4.15 During the trial period Council adopted the use of a planter box constructed of 600x600x800 treated pine sleepers, half filled with crushed stone (gravel) and topped



with soil, with an average weight of around 300kg. The boxes were bolted together with 75mm galvanised screws inside rail and out. Plants were added for beautification. These planter boxes were funded by state grants and supplied by Council to traders who successfully applied for and were granted a business parklet permit.

- 4.16 The planter boxes for business parklets were offset by 450mm on three sides so a lateral clearance of 450mm from the active carriageway was maintained. All perimeter fencing was connected to the boxes with no gaps apart from the footpath (entrance) side and reflective tape is to be applied to all planter boxes to assist with visibility at night. All business parklets were in 40km zones, in relatively quiet suburban streets on straight carriageways and often with kerb extensions. The Department of Transport approved this design and issued permits for parklets on arterial roads for which they are the responsible authority.
- 4.17 While some organisations use concrete blocks for vehicle protection, others have moved away from that approach. This is because concrete blocks struck by a vehicle simply become a battering ram in front of a vehicle, potentially causing even more damage. While planter boxes are relatively light compared to concrete blocks, they follow the principle of PAS 68 international standard used to measure velocity, weight and force of impact into approved HVM designs. This means that when struck they will break apart, and the crushed stone will jam the underside of the vehicle and impede its progress.
- 4.18 Planter boxes have provided the level of deterrence and vehicle strike protection initially intended for the original temporary nature of Parklets. The potential for longer term permits comes the possible deterioration of the timber planters from general weather exposure and internal dampness. However, the 3-year period permits would be granted for would mitigate this.
- 4.19 On roads where the volume of traffic is high and the speed limit is over 40KPH, Council's Traffic department have advised that additional Road Safety Audits should be required. However, under the Policy Parklets are not to be located in areas where the speed limit is over 40KPH. In the unlikely event that a parklet is permitted in such a location, additional conditions such as requiring additional Road Safety Audits, placing one ton minimum concrete barriers and annual inspections may be required.
- 4.20 Overall Officers recommend that the planter boxes continue to be used as HVM for these key reasons. Another benefit is that the design is accessible and affordable to individual businesses.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 This program has been developed in consultation with Council Officers from the Safety and Amenity, City Design, Economic Growth and Activation, Strategic Engagement and Communications teams.
- 5.2 The engagement included two rounds of community engagement: stage one consultation informed the policy development (May 2021) and stage two gathered feedback on the draft policy and associated documents (late July 2021).

Stage one consultation

- 5.3 Stage one of the engagement program sought to understand what our community thought about the current business parklet program and what they want to see included in a policy supporting a longer-term parklet program. It ran from 30 April to 30 May 2021.



- 5.4 The primary feedback tool was a survey, hosted online and available in hard copy. One hundred and sixty-seven survey responses were received. Additionally, 93 people participated in an engagement activity through a series of Neighbourhood Conversation sessions. During these sessions, 95 post-it note contributions were received about developing the policy and suggesting locations for future business parklets.
- 5.5 The consultation was promoted via Council's communications channels, including Divercity Online, social media and e-newsletters. As part of Council's Neighbourhood Conversation sessions, Council Officers also visited local activity centres to promote the consultation and encourage people to participate in the consultation online.
- 5.6 The consultation outcomes are contained in the Engagement report (**Attachment 1**). Key findings from the first round of consultation are outlined in the section that follows.

Business parklet visitation

- The majority of survey respondents (146; 87.43%) indicated they had visited a business parklet in Port Phillip.

Community benefits

- In response to being asked to pick from a list, the benefits business parklets provide to community, support for local businesses (137; 82.04%), more outdoor seating (136; 81.44%) and better atmosphere/vibe (115; 68.86%) were the most selected responses.
- Those who indicated there were no community benefits (13; 7.78%) shared concerns about the reduction of carparking spaces and the impact of this on other traders, as well as resident amenity and access to public space.

Timing / Frequency

- Over half the survey respondents (104; 63%) indicated they would like to see business parklets happening all year round. Thirty-four respondents (20.61%) indicated only during the warmer months. Fourteen respondents (8.48%) indicated at no times and thirteen respondents (7.88%) suggested other times.

Overall support for business parklets

- The majority of survey respondents (135; 81.33%) were supportive overall of business parklets, with 71 per cent indicating they were fully supportive.
- The majority of participants who took part in the Neighbourhood Conversations pop-up session engagement activity (82; 88.20%) indicated they were supportive overall of business parklets, with seventy-one respondents (76%) indicating they were fully supportive.

Locations

- When asked which locations would be good for parklets, the most frequently mentioned neighbourhood locations were Balaclava, Elwood and St Kilda. Within these neighbourhoods, Carlisle street, Ormond Road and Fitzroy Street were the most mentioned locations.
- Elwood and St Kilda were also the most mentioned locations in response to the open text question asking participants which locations they thought were not good locations for business parklets.

Policy considerations



- The majority of responses indicated parking, parklet design and infrastructure, equity among traders and resident amenity needed to be considered in developing the draft business parklet policy.

Stage two consultation

- 5.7 Stage two of the consultation sought to gather feedback on the draft policy and associated documents and took place between 26 July and 22 August 2021.
- 5.8 Separate surveys for traders and community members were used to target each group's specific concerns.
- 5.9 The trader survey sought feedback on parts of the draft guidelines and the respondent's location, business type and whether they have previously applied for a business parklet. Council Officers personally visited all traders in Ormond Road, Elwood to ensure their views were captured in the consultation. This was due to previous concerns expressed that hospitality traders were being prioritised over non-hospitality traders.
- 5.10 The community survey sought feedback on parts of the draft guidelines that are broadly relevant to the community.

The draft policy

- 5.10.1 Over half the total 152 respondents (85; 55.92%) indicated some level of comfort with the draft Policy. Over one third of respondents (57; 37.50%) indicated some level of discomfort with the draft Policy.
- 5.10.2 Community respondents indicated a higher level of comfort with the draft Policy than businesses. More than half of the 116 community respondents (74; 63.79%) indicated some level of comfort with the draft Policy. One third of business respondents (11; 30.56%) indicated some level of comfort with the draft Policy, while over half (21; 58.33%) indicated some level of discomfort.
- 5.10.3 Businesses who had a parklet (14 businesses) indicated a higher level of comfort with the draft Policy than those that did not. Of those 14 business respondents who had a parklet, 10 (71.43%) indicated some level of comfort with the draft Policy. Of those 22 business respondents who did not have a parklet, 19 (86.36%) indicated some level of discomfort.
- 5.10.4 Most community respondents who had indicated they were comfortable with the draft Policy expressed positive sentiment towards the parklets more generally. A number of respondents referenced benefits such as vibrancy, extended outdoor seating and the support they offer to local businesses during the pandemic.
- 5.10.5 Business respondents who had indicated they were uncomfortable with the draft Policy were concerned about the impact parklets had on parking availability, the draft fees and equity among businesses. Similarly, community respondents who indicated they were uncomfortable expressed concerns around impacts on parking availability and resident amenity.

The draft fee structure

- 5.10.6 There was general disagreement from both community and businesses over whether the draft fee structure was equitable.



- 5.10.7 A quarter of the total 152 respondents (41; 26.97%) indicated they agreed the draft fee structure was equitable. Just over a quarter of the 116 community respondents (32; 27.59%) indicated they agreed the fee structure was equitable. Similarly, businesses indicated a lower level of agreement with a quarter the 36 respondents (9; 25%) indicating they agreed the draft structure was equitable.
- 5.10.8 Of those 14 businesses respondents who had parklets (6; 42.86%) agreed that the fee structure was equitable. Of those 22 business respondents who didn't have a parklet (3; 13.64%) agreed the fee structure was equitable.
- 5.10.9 Of the business and community survey respondents who indicated they did not agree the draft fee structure was equitable, most were concerned that the fees proposed were too high. Many expressed they should be lowered or free. A number of respondents expressed that businesses were currently experiencing financial hardship due to the pandemic.

The draft guidelines

- 5.10.10 Over half (90; 59.21%) of the total 152 responses indicated some level of comfort with the draft Guidelines. Seven respondents indicated they were neutral (4.61%) and fifty-five (36.18%) indicated some level of discomfort.
- 5.10.11 Community respondents indicated higher level of comfort with the draft Guidelines than businesses, with 76 out of the 116 survey responses (65.51%) indicating some level of comfort.
- 5.10.12 One third of the 36 business respondents (14; 38.88%) indicated some level of comfort with the draft Guidelines. However, businesses who had a parklet indicated a higher level of comfort with the draft Guidelines than those who had did not have a parklet. Of those 14 business responses who had a business parklet (11; 78.57%) indicated some level of comfort with the draft Guidelines. Of those 22 business respondents who did not have a parklet three respondents (13.63%) indicated some level of comfort with the draft Guidelines.
- 5.10.13 Community respondents who had indicated some level of discomfort with the draft Guidelines shared concerns around the impact on parking and resident amenity.
- 5.10.14 Businesses respondents who had indicated some level of discomfort with the draft Guidelines shared concerns around the draft fee structure and its perceived high cost.

Proposed eligibility criteria

- 5.10.15 One hundred (65.79%) of the 152 respondents indicated some level of comfort with the proposed eligibility criteria.
- 5.10.16 Over half of the 116 community respondents (77; 66.38%) indicated some level of comfort with the proposed eligibility criteria. Similarly, over half of the 36 business survey respondents (23; 63.89%) indicated some level of comfort with the proposed eligibility criteria.
- 5.10.17 Both business and community respondents who had indicated they were uncomfortable with the proposed eligibility criteria expressed concerns around impact on parking availability for residents and business customers.



Open text questions

5.10.18 The survey provided an opportunity for respondents to provide further details of their thoughts on the following areas:

- Expression of interest process
- Permit Types
- Proposed Design requirements
- Decision making criteria
- Other feedback

5.11 Key and repeating comments for each subject are summarised in Attachment 2.

5.12 Where possible, feedback was taken into account in the final drafting of the Policy and Guidelines.

6. LEGAL AND RISK IMPLICATIONS

6.1 Business Parklets would have affect under Council's Local Laws.

6.2 The Guidelines and Policy deal with a range of scenarios to mitigate risk, including where Parklets can be located and how they should be designed, procedures for approval of permits and procedures to manage non-compliances with permit conditions.

6.3 Impacts on car parking is a relevant consideration in the granting of permits. Recommended maximum numbers of permits have been set out within the Guidelines, based on available parking within each area.

6.4 Should a Business Parklet suffer damage via a vehicle collision or significant vandalism, Council Officers will proactively work with the permit holder in accordance with the Guidelines.

7. FINANCIAL IMPACT

7.1 No fees will be collected by Council for the remainder of the financial year.

7.2 We are waiting on advice as to the level of funding to be provided by the State Government to support Outdoor Dining and Entertainment this year. \$1m was provided over 2 separate allocations in 2020/21. Funding would be used to establish new parklets as well as ensuring Officers are sufficiently resourced to conduct the program.

8. ENVIRONMENTAL IMPACT

8.1 To reduce and manage potential environmental impacts from the construction of Parklets, the draft Guidelines include requirements and guidance for sustainable design including:



- consideration of recycled and recyclable materials
- minimising emissions and water use
- use of sustainably and locally sourced materials
- avoidance of materials and chemicals known to pose serious risks to human health and the environment.

9. COMMUNITY IMPACT

9.1 Any potential adverse impacts to the community are anticipated to be offset by the positive impacts that the Parklets would have. Encouraging outdoor dining should make our streets safer and discourage antisocial behaviour. It will also reduce the impacts of the pandemic by offsetting any vacancies or downturns in trade within activity centres by creating active frontages and attracting and encouraging people to spend time in these places.

9.2 In addition, potential adverse community impacts would be managed as follows:

- There would be some localised reduction in car parking due to Business Parklet's occupation of street parking. However, the Policy guides decision making on the distribution and number of parklets to balance car parking impacts against other outcomes. An Expression of Interest process will be carried out for Ormond Road to provide the opportunity for Council Officers to ensure that it is not unreasonably affected by loss of car parking.
- The impacts of outdoor dining noise in parklets is not anticipated to be any greater than that currently caused by outdoor dining areas. In addition, conditions on permits will ensure that the occupation of the business parklet has a limited impact on residential amenity and the neighbourhood and the use and operation is in accordance with specified hours and if no hours are specified the use must cease by 11pm.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

10.1 The Business Parklet Policy and Guidelines aligns with the following Strategic Direction:

10.1.1 Vibrant Port Phillip - with a flourishing economy, where our community and local business thrive, and we maintain and enhance our reputation as one of Melbourne's cultural and creative hubs.

11. IMPLEMENTATION STRATEGY

11.1.1 Following the adoption of this Business Parklet Policy and Guidelines the ongoing Parklets program will commence.

11.1.2 The engagement reports will be published on the Have Your Say website and sent via an email to those who indicated they would like to be updated on the consultation.

11.1.3 The City Growth and Culture team will notify all parklet trial permit holders that their permits require reassessment.

11.1.4 The City Growth and Culture team will notify all businesses they have on file that new applications are being accepted. Additionally, the City Growth and



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Culture team will advertise that Council is now accepting applications for new business parklets via the Live Love Local newsletter.

11.1.5 The assessment of seasonal and annual permits will commence, and successful permit holders will engage with Officers to achieve compliance with the adopted Guidelines.

12. OFFICER DIRECT OR INDIRECT INTEREST

12.1 No officers involved in the preparation of this report have any material or general interest in the matter.

ATTACHMENTS

- 1. Attachment 1 - Phase one engagement report**
- 2. Attachment 2 - Phase two engagement report**
- 3. Attachment 3 - Business Parklet Policy**
- 4. Attachment 4 - Business Parklet Guidelines**