

QLDC Council
30 October 2014

Report for Agenda Item: 4

Department:

Infrastructure and Assets

4. Proposal to increase the price for leased parking in the Church Street Carpark

Purpose

- 1 At present approximately 80 leases for unallocated carparks are provided in the Church Street carpark and 126 leases in the Ballarat and Recreation Ground carparks. The purpose of this report is to obtain approval to increase the price of these leases to \$180 per month (excluding GST), effective from 1 December 2014.

Recommendation

2 That Council either:

- a. **Agree** that no further leases be issued for carparking in Council parking facilities, and either:
- b. **Approve** the increase in the price of leased carparks in the Church Street Carpark to \$180 per month (excluding GST), with effect from 1 December 2014, or:
- c. **Approve** the increase in the price of leased carparks in the Church Street Carpark, Ballarat Street Carpark and Recreation Ground Carpark to \$180 per month (excluding GST), with effect from 1 December 2014.

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6/10/2014

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15/10/2014

Background

- 3 Representations from the Queenstown Chamber of Commerce have sought changes to the operation of the Church Street carpark to free up spaces for shoppers and short term parkers by discouraging all day parking. At issue is the general availability of short stay parking within easy walking distance of town centre shops.
- 4 Several options exist for 'freeing up' carparks for short-stay parkers. These are discussed in this report. The Council's delegations register does not delegate decisions on parking charges in Council carparks. Accordingly, this matter is brought to Council for a decision.

Comment

Strategic context

Past Council decisions provide strategic context for a decision on parking charges. The following are considered relevant to the Chamber of Commerce's request:

In 2010 Council completed a review of parking controls in the Queenstown town centre. The review resulted in changes of controls that were adopted by way of Council resolutions following hearings of submissions. The hearings panel made the following recommendation, which was endorsed by the Utilities Committee:

The panel recommends greater clarity in the roles of the different off-street parking facilities, including Man Street. The panel, in particular, seeks the development of the following roles for the Carparks, based on their proximity to the core of the CBD

- *Brecon Street Carpark – commuter parking*
- *Ballarat Street – Short stay and campervan parking*
- *Athol Street – Short stay parking, acknowledging potential future use as a transport hub.*
- *Church Street – Short stay parking, with opportunities for development of overnight parking*
- *Boundary Street – Commuter parking*
- *Man Street – Commuter and short stay parking*
- *Recreation Ground – visitor parking*

Acknowledging the close proximity of the Recreation Ground and upper Ballarat Street carparks, the panel recommends the Utilities Committee considers the phasing out of leased parking from both of these facilities.

The Council adopted its Property Sale and Acquisition Policy earlier this year. Principle 4 of the Policy states:

“Council will not generally own or use property in a manner that unreasonably competes with private commercial interests.”

- 5 The Infrastructure Group is currently preparing a draft transport strategy for the town centre. This draft will be reported to Council in February. This will address the wider role of Council's provision of public carparking and policies for charges and time restrictions.

Existing Situation – Leased Parking

- 6 The following table summarises the number of leases in Council carpark and the cost per month. The lease cost of an unallocated space in the Man Street carpark is \$150 per month (excluding GST).

Carpark	Number of Leases	Lease cost per month	Comment
Ballarat St A&B	111	\$45	These are the Pay & Display carpark accessed from Ballarat Street
Ballarat St C		24	This carpark is leased only and is located behind the main Ballarat Street carpark
Recreation Ground	15	71	These carpark spaces are reserved for individual leasees
Church St	80	120	-

- 7 Most leases appear to be held by business people within the town centre, although four are to a community organisation – Citizens Advice Bureau – which receives free parking. It is not proposed that this free parking be discontinued.

Information from Transport Strategy Preparation

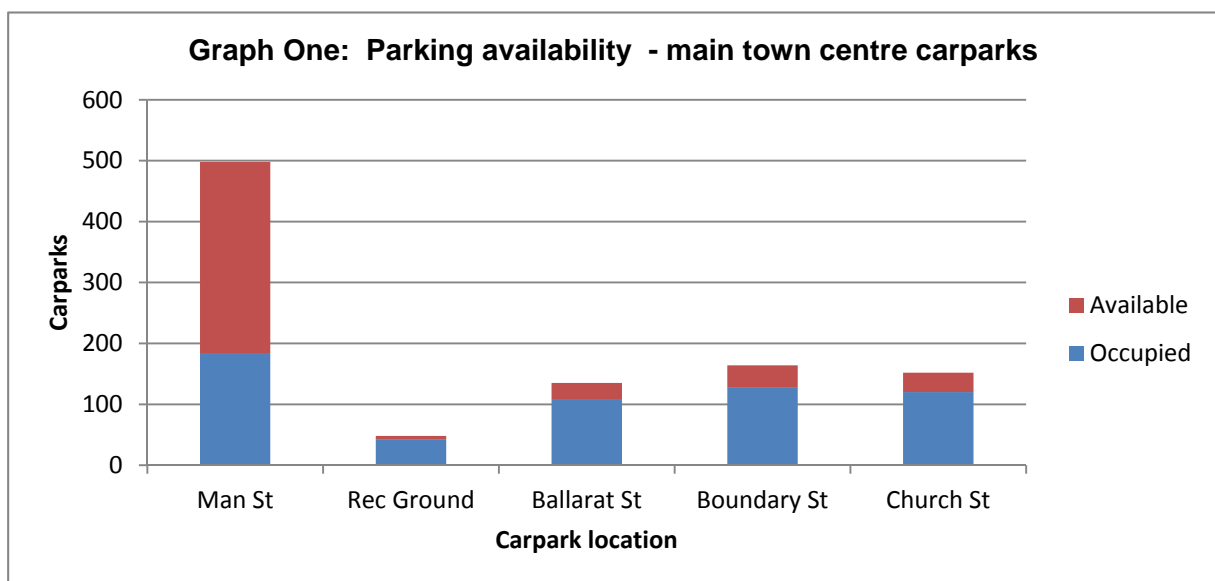
- 8 In June 2014 (as part of its decisions on the Inner Links project) Council resolved to:

b. Direct the Planning and Infrastructure Group to report to the Council on the proposed town centre transport strategy by February 2015.

- 9 An element of this work is production of a parking strategy for the town centre. In preparation for this work, parking surveys have been undertaken. These covered three aspects of town centre parking – the key findings are presented in the table below:

Survey	Key Findings
<p>On-street restricted parking (within and on the town centre periphery)</p> <ul style="list-style-type: none"> Undertaken in March 2014 as part of March transport surveys 	<ul style="list-style-type: none"> The demand for on street, time restricted parking is highest at the middle of the day with only 16% of space being 'available'. Outside of the middle of the day between 21-23% of spaces were observed as being available.

Survey	Key Findings
<p>Off-street parking (no time restriction lower than P10hrs)</p> <ul style="list-style-type: none"> Undertaken in over three days in August 2014 	<ul style="list-style-type: none"> As shown in Graph One, the main Council off-street car parks are close to capacity.¹ In contrast the Man Street carpark is typically one third full. Just over a third of all off-street, unrestricted spaces are occupied by all-day parkers. If Man Street carpark is taken out of the equation this proportion increases to around 50%.
<p>On-street unrestricted parking, on the town centre periphery</p> <ul style="list-style-type: none"> Undertaken over three days in August 2014. 	<ul style="list-style-type: none"> Typically, over 900 cars are parked in the streets around the town centre during the day. This reduces to just over 500 cars overnight. Of the cars parked during the day, around 70% are all-day parkers that have moved on by evening.



10 In the past we have used the rule of thumb that parking areas are perceived as 'parked-out' once occupancy is above 80%. With the exception of the Man Street carpark, the parking occupancy is either at or above the 80% threshold. Overall, the surveys support the Chamber's contention that there is a scarcity of short stay parking in the town centre.

Options

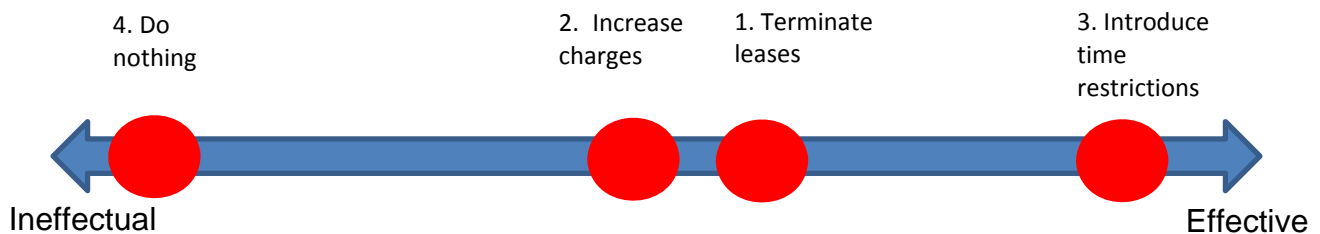
11 Accordingly, the options set out below are put forward for consideration:

¹ The surveys were undertaken over four days in August 2014. These figures are the afternoon counts averaged over the four days.

Options	Impact
<p>1. Terminate car-park leases:</p> <ul style="list-style-type: none"> • For Church Street only, or • For all council facilities 	<p>All leases are issued on a month by month basis.</p> <p>The impact of the proposal would be:</p> <p><u>Church Street Carpark</u></p> <ul style="list-style-type: none"> • Alter the management of Church Street that currently ensures availability of carparks for leaseholders – it is likely that most leaseholders would switch to a daily casual rate but they would be less likely of finding a space. Some may shift to the Man Street carpark. <p><u>Other Council carparks</u></p> <ul style="list-style-type: none"> • Increase the cost of parking for those currently leasing • Reduce the guarantee of parking spaces. This will be most keenly felt in the Recreation Ground carpark where the removal of allocated spaces will see many of these spaces ‘taken’ by casual parkers. It is likely these people will park further away – in other carparks where parking is available or on-street.
<p>2. Increase lease fees to, or above, the market rate</p> <ul style="list-style-type: none"> • For Church Street only, or • For all council facilities 	<p>The reference point for the ‘market rate’ is the Man Street carpark which charges \$150 per month for unallocated spaces. A clear differentiation from the Man Street rate, in line with the Property Sale and Acquisition Policy would be to set Council leases at \$180 per month (excluding GST).</p> <p>An increase in charges is likely to have two effects:</p> <ul style="list-style-type: none"> • Some leasees will give up their leases and pay for parking at the (cheaper) casual rate • Some leasees will shift to other parking areas. <p>The management of the Church Street carpark would retain the objective of ensuring lease-holders can find a carpark.</p>
<p>3. Implement time restrictions</p> <ul style="list-style-type: none"> • For Church Street only, or • For all council facilities 	<p>An introduction of time restrictions (for example P180 or P240 minute parking) would cause all-day parkers to relocate to unrestricted areas (other off-street parks or the town centre fringe).</p> <p>This would directly increase short-stay parking availability. It would need to be accompanied by the termination of leases.</p>
<p>4. Do nothing until draft transport strategy is reported back to Council in February.</p>	<p>The parking strategy will provide guidance on parking pricing and parking controls.</p> <p>Would be inconsistent with Property Sale and Acquisition Policy 2014.</p>

Evaluation of options

12 The following continuum summarises the impact of the options in terms of creating more short stay parking in the town centre



13 In terms of policy context, there is no policy that provides the rationale for council subsidising long stay parking in the town centre. This provides reason for Council to pursue options 1 (terminating leases), 2 (increasing charges), or 3 (introducing time restrictions).

14 The impact of options 1 (terminating leases), and 2 (increasing charges) on parking behaviour does depend on the responsiveness of the leaseholders to price increases. No research has been undertaken on this aspect. It is likely that a proportion of business users will stay in the car parks and simply pay more than they presently do.

15 Leases are presently being phased out in a passive sense – no new leases are presently being issued.

16 The third option (time restrictions) is likely to be the most effective in increasing the availability of short stay parking because it regulates the all-day parkers out of the off-street car parks in very black and white terms. As such, it is likely to have most negative effect in terms of relocating parking to the town centre fringe. It is not recommended that such an option be considered in isolation from

- Measures to improve access by alternatives to the car (public transport, cycling and walking); and
- Measures to manage on-street parking in the town centre periphery.

17 Consideration of this wider context is occurring through the town centre strategy work.

18 The fourth option - the 'do nothing option' - will mean that any significant changes to parking happen within a strategic context in 2015. It will protect the council from making a decision now that may need to be countered or altered again in 6 months' time when the town centre transport strategy is confirmed.

19 This report recommends that Council approve option 2, while confirming that no new leases will be issued. This provides for a shift in leasing consistent with the Property Sale and Acquisition Policy, while leaving key decisions on future

leasing to be made in the contexts of the upcoming Town Centre Transport Strategy.

20 If this direction is accepted, a decision then needs to be taken as to whether the lease price should just address Church St carpark (the subject of the Chamber of Commerce request) or whether it should apply to all leases for parking spaces.

21 Matters to be considered by the Council include:

- The direction set by the Property Sale and Acquisition Strategy and past Council decisions
- The value in waiting for the recommendations of the Town centre transport strategy
- The availability of short stay parking in the town centre (as reported earlier with reference to the parking surveys)
- The need to consult

22 It is proposed that if the Council decision is to increase charges that this takes effect from 1 December. This timing will enable short stay parking to be freed up ahead of the summer visitor season.

Risks

23 A risk with any measure aimed at increasing the availability of short stay parking is that for a time at least, there would be a fall in revenue. .

24 Conversely, the risks of reducing availability of all-day parking is that it will be relocated to the next cheapest option, which is likely to be the town centre fringe, rather than taking up available spaces in the Man Street carpark.

25 The changes are likely to result in complaints by those affected who, it can be argued, currently pay well below the market rate. As mentioned, the users of the Church Street carpark are being advised of the proposed change. The response is likely to be representative of the views of the wider group of leaseholders that would be affected.

26 The key risk of doing nothing is that steps to improve the availability of short stay parking are being delayed.

Financial Implications

27 Given the demand for short stay parking it is considered unlikely that reductions in long stay parking that could result from decision sought by this report will result in reductions in parking revenue. Parking surveys will be repeated in March 2015 as part of the annual traffic and parking surveys.

Local Government Act 2002 Purpose Provisions

28 Sections 10 and 11 of the Local Government Act 2002 are relevant to this report. Carparking is part of the transport network infrastructure that is managed by Council. Council is empowered to regulate the parking resource. The thrust of this report is the management of that resource more effectively to improve access into the town centre for the customers of local businesses.

Council Policies

29 The following Council Policies were considered:

- Council Policy on Significance
- Council Property Sale and Acquisition Policy 2014
- Council decisions in respect of the role of off-street carpark (2009)

Consultation

30 Through Wilsons Parking, the current Church Street carpark leaseholders are being advised of the intention to consider the proposed charges increase. Feedback received will be reported verbally to the Council meeting.

31 Wider public consultation has not been undertaken and is not considered necessary as it will be clear that the holders of parking leases will oppose the increase of charges. This however is implementing council policy.

Publicity

32 No media statement is required. Leaseholders will be advised directly of Council's decision.