

Local Government Parking Summit 2019

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Novotel Sydney Manly Pacific

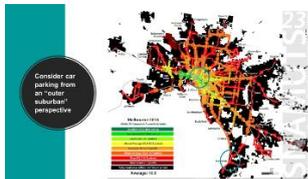
Interactive discussion: The value of parking to the economic viability of outer metropolitan activity centres

By Ginevra Hosking, CEO, Committee for Greater Frankston

I know much of what I share with you today about Frankston's experiences won't gel with the 'prevailing ideologies' on car parking.

And within a 15km of Melbourne, Sydney, Brisbane or Perth, 'cars and car parking' is a poor transport choice.

But I would ask that, for the next half hour, you consider 'car parking from an outer suburban perspective'.



In inner city areas, walking, cycling or public transport cover more than 90% of residents' needs. You can get to work, schools, shops, doctors and even Jane's play date or sports match.

However, 40km from the metro CBD the 'maturity of the transport infrastructure' is very different. Regular trains may connect us to Melbourne, but nowhere else.

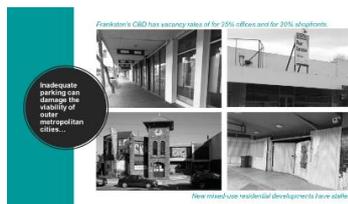
Probably the best way to explain the **challenges of transplanting 'car parking policy'** into outer suburbs is with an anecdote.

At a normal transport agency or departmental meeting with, say, Infrastructure Australia, the state government's public transport authority, the level crossing removal authority, etc, attendees will include the CEO, southeast Melbourne regional directors and the 'bus guy'.

When 'park and ride' is discussed, the bus guy interjects with 'We have analysed this issue and established that train station parking is not a cost-effective way for people to connect with the train line'.

But what does the analysis say when **vacant land sells on the open market for only \$48 per square metre?**

It is a different story when for under \$2 million you can purchase 1200 parking spaces at a train station.



Economic stagnation of Frankston's city centre can be directly linked to **inadequate local public transport** and decades of **failed 'outer suburban' car parking policy**.

- **1 in 4** office buildings is vacant. **1 in 5** shopfronts is empty.
- Council's 15-year strategy to populate Frankston's CBD with **high-density, mixed-use residential developments has stalled** and prime sites – all with sea views – are occupied **by squatters**.



And, ironically, insufficient car parking has also become a barrier to public transport usage. From the outer suburban stations on the Frankston train line, rail patronage has almost halved in a decade.



So let's set the scene:



Frankston is on the coast, about 45km from Melbourne. It has a population of almost 150,000 and is the 'regional employment and services hub' for over 400,000 people in the Greater Frankston region (roughly the population of Canberra).



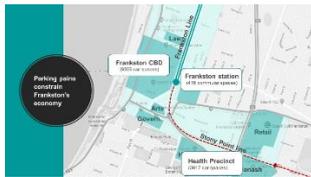
Frankston is one of the very few 'commutable' suburbs with affordable housing in Greater Melbourne.

Throw in beaches, open space, the coveted 'Frankston High School' zone (a stand-out public schools for over a decade) and Frankston becomes a very liveable area for families.



Frankston also has an expanding health and education sector. It's a **university town**.

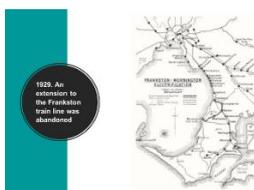
- **Frankston Hospital is undergoing a half billion dollar redevelopment and is establishing the \$55 million National Centre for Healthy Ageing.**
- Chisholm TAFE is expanding its Frankston campus and will become the **largest TAFE in Victoria.**
- **Monash University** has moved its Allied Health, Education and Business faculties to its Frankston campus.



However, parking pains constrain the economic viability of Frankston's activity centre.

- Frankston has two main precincts – the CBD with **government, business and retail**, next to the beach, and the **health and education precinct** 1.5km away from the CBD.
- The electrified, **10-minute Frankston train service stops** in the Frankston CBD and an infrequent, 2-hourly diesel service continues beyond this point.
- Frankston station has just **416 commuter car spaces yet over 3000 people** connect to a train by car each week day.

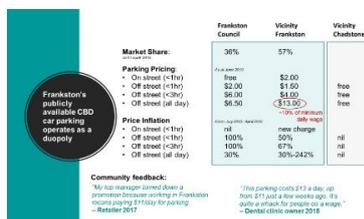
So what local quirks have made Frankston's economy so vulnerable to insufficient car parking?



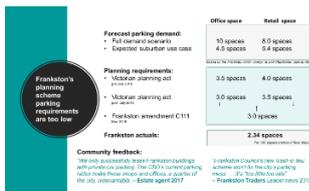
- **1929** – Extension of the metropolitan rail line past Frankston was proposed but rejected 90 years ago by the state government.
 - The decision left Mornington Peninsula Shire, which is designated as part of metropolitan Melbourne, outside the city's rail and public transport network.

56% of the demand for Frankston station parking comes from this area.

- It also ended the metro train line in the middle of Frankston’s CBD without adequate consideration for what ‘transit interchange solutions’ should be put in place.
- Running more frequent buses into Frankston is difficult because of street congestion. In 2018, a \$13 million streetscaping project was completed to make Young Street, gateway to Frankston station, more attractive but this has not increased the capacity to handle more bus traffic.



- **1985** – A wave of privatisation started with ownership of parking areas consolidated.
 - Council pursued a program of ‘privatised land development’ of council-owned car parking areas to meet the demand for additional land supply in the CBD.
 - New undercover parking was constructed and charged at ‘commercial rates’.
 - Vicinity shopping centres subsequently acquired **57% of all publicly available car spaces** in Frankston’s CBD and now has the capacity to independently set a prevailing market price.
- Fast forward to **2015–18** and price inflation was running unchecked.
 - In these three years, Frankston visitors and workers experienced car **parking cost rises of between 30% and 240%**.
 - **All day parking in Frankston is now \$13 a day.** This may not raise an inner-city eyebrow, but this represents **10% of the minimum daily wage**.



- During the Victorian local government amalgamations of 1994, Frankston’s developer car parking contribution scheme was abandoned with funds and car parking fees **diverted to council’s general revenue**.
- The great paradox is **Victoria Planning Provisions now apply the same parking-to-floor-space ratios in Richmond**, for example – which has five train stations, seven tram routes, shared pedestrian and bike trails, and a bus route – as in Frankston and neighbouring Karingal, which are serviced by an hourly bus?
- In 2018 when Frankston Council attempted to reinstate the developer contribution levy it was a **case of too little, too late**. The contribution per forgone car space is now **one-quarter of the rate** of the original, pre-1994 scheme.
- This has created an imbalance between ‘car parking supply in new buildings’ and the ‘car parking demand required to **maintain full tenancy**’.



- By **2005**, Introduce policies to encourage more residents and shoppers back into the CBD to stimulate activity.
 - **Free on-street parking**. Extremely popular with the public but with no additional car parking supply coming into the system, on-street spaces were immediately oversubscribed.

- **Shorter time limits were introduced to encourage turnover.**
However, this established a mindset of ‘I come to Frankston to do a specific job and then leave’.
- In 2015 – Council explicitly tried to increase the price of Frankston CBD all-day car parking so people commuting to Melbourne – ‘*who don’t even buy an ice cream*’ – wouldn’t use it.
 - This **policy failed because ‘Melbourne workers’ were earning higher incomes than ‘Frankston workers’**. The impact was disproportionately felt by local workers and many businesses left Frankston’s CBD.
 - Reacting to the community backlash, **permits for ‘special interest’** car parking users were issued at key sites like the library, beaches, sporting facilities and the hospital – and for government workers. The net impact of these policies further reduced the publicly available ‘useable’ supply of parking.
 - My personal favourite was the **three car spaces** allocated to the Australia Post delivery van. These three spaces had virtually 0% usage.
- The proliferation of ‘No parking anytime’ signs reinforce the **negative perceptions** of parking in Frankston.



Developer contribution scheme	Public transport facilities	Car parking policy	Smart technology	Adoption
<ul style="list-style-type: none"> • Introduced a cash-in-lieu scheme early • Apply outer suburban relevant parking charges ratio • Consideration on net business revenue, and must be negative 	<ul style="list-style-type: none"> • Four public transport stops • Frequent bus routes • Local, paths, trails or buses networks • Safe mobility connections • Dedicated park & ride • Safe and planning with 'value capture' rather big infrastructure benefits cases study 	<ul style="list-style-type: none"> • Centrally-controlled parking system efficient • Many relevant options that accommodate social outcomes but efficiency of the system must be balanced • Policy must be simple and easily to communicate • Parking must be available on short notice even user requests 	<ul style="list-style-type: none"> • Smart car parking technologies are not a panacea. Do not invest in expensive new car parking technology (e.g. parking, sensor, location, etc.) until finding the underlying parking issue 	<ul style="list-style-type: none"> • Community must drive it, start from regional, national • Integrate parking solutions with other urban projects

So what have we learnt?

- Importing car parking ‘planning gospels, ideologies or inner-city practices’ doesn’t work. **Adequate access to car parking is a key pillar of a healthy outer suburban economy.** All outer suburban cities should already have well-managed, rock-solid car parking developer contribution schemes in place, and an increasing supply of new car parking projects.

Developer contribution funds cannot be introduced retrospectively. Car parking fees and contributions are not ‘general taxation’ and this revenue should always be reinvested in solutions that will mitigate the expected future supply–demand mismatch.

- All outer suburbs need a ‘major public transport infrastructure investment program’ to progressively **create backbone public transport infrastructure.**

A rigorous focus on aligning ‘land planning’ with ‘value capture’ mechanisms make these ‘big’ investments viable.

- Car parking is most efficiently used when it is **centrally controlled, publicly available and reusable** for different community purposes.
- Car parking users should pay for parking but ‘pricing policy’ must be **simple, easy to understand, equitable** and incentivise optimum economic outcomes.
- **Smart car parking technologies are not a panacea.** Do not invest in expensive new car parking technology – wayfinding, smart parking, location apps – without first fixing the underlying policy.



- Strategically increasing the supply of publicly available, all-day car parking in Frankston **CBD with a 600-space multi-deck car park**. This much-needed facility at Frankston station was first promised by the state government in 1975 but never built. But we did secure the funding for one in 2019.
- The proposed multi-deck car park will go some way towards rebalancing the concentration of ownership of parking in Frankston’s CBD.



Even so, Frankston car parking is forecast to get worse in the coming decade.

Demand for Frankston CBD car parking already exceeds supply and this is expected to become more critical in the coming decade as the health and education precinct expands.





There is a collective understanding that ‘things have to change’. A working group of council, local business, TAFE, university, hospital and other community stakeholders has been brought together to rethink how we leverage the present and coming major investments to transition Frankston’s economy from an entirely car-dependent economy to one with an integrated transport solution.

Today’s interactive session is asking for your insights and advice on this Frankston parking policy hypothesis.