10.2 INTRODUCTION OF $1 FIRST HOUR FEE IN CAR PARKS - ANALYSIS

Attachments:
1. **Leederville car park locations**
2. **Mount Lawley and Perth car park locations**
3. **North Perth car park locations**

RECOMMENDATION:

That Council:

1. NOTES the following key findings from the analysis of the implementation of the $1 for first hour fee in the City's paid car parks:

1.1 There was a reduction in overall carpark ticket transactions by approximately 50,000. Frame Court in Leederville was the only carpark to record an increase.

1.2 The revenue collected from this first hour was approximately $435,000 (equivalent to $870,000 p.a).

1.3 The overall average length of stay in the carparks has increased by approximately 20 minutes – and the overall average length of stay in revenue has also increased.

1.4 There has been an increase of an average of 9 minutes per transaction between the two periods and an increase of approximately 56% in revenue per transaction.

1.5 City Rangers have not observed any apparent reduction in the volume of vehicles in the car parks other than the View Street, Rosemount Hotel and Wasley Street car parks in North Perth.

1.6 Short term parking bays (eg. 15 minute bays) are very well utilised since the introduction of $1 for the first hour.

1.7 Total parking time by patrons using the EasyPark app has increased.

1.8 Consumer spending is growing consistent with inflation in Mount Hawthorn, Leederville and North Perth. Mount Lawley is showing negative growth against inflation.

1.9 The slight reduction in parking transactions does not appear to have impacted consumer spending across the town centres with the average length of stay increasing (the exception being the Mount Lawley town centre).

1.10 The implementation of $1 for the first hour in the car parks has had a minimal impact to on-street paid parking bays in the vicinity of the car parks.

1.11 There is no data to indicate that parking behaviour has moved from the car parks into on-street paid parking bays.

1.12 The implementation of the $1 for first hour has not resulted in an increase in complaints regarding parking behaviour;

2. REQUESTS that Administration liaises with Mount Lawley town centre retailers regarding their concerns relating to free short-term parking availability and considers increasing the availability and mix of free 15 and 30 minute bays at the Raglan Road and Chelmsford Road car parks; and

3. REQUESTS that the CEO addresses through the Precinct Parking Management Plan review the negative impact parking has had in residential streets in North Perth, in the vicinity of the View Street and Rosemount Hotel car parks.

PURPOSE OF REPORT:

To consider the impact of the implementation of $1 for the first hour in City of Vincent car parks.

BACKGROUND:

At the Special Council Meeting held on 5 July 2022, as part of adopting the Annual Budget 2022/23, a fee of $1 for the first hour of parking was approved in the City's car parks where previously the 'first hour free' had been in place.

Council requested Administration to monitor the impact to the number of transactions and revenue following the change to $1 for the first hour to ascertain any detrimental impact on occupancy or use in the City car parks, and to provide a report back to Council by April 2023 in time for the setting of the fees and charges for the Annual Budget 2023/24.

DETAILS:

The City introduced the $1 for the first hour fee in September 2022 in the following car parks:

- The Avenue;
- Frame Court;
- Brisbane Street;
- Raglan Road;
- Chelmsford Road;
- View Street;
- Rosemount Hotel; and
- Wasley Street.

The locations of these car parks within the City, are at Attachments 1 – 3.

The below data shows the comparison to the same time period for the previous year (September to February).

Transactions and revenue for the first hour

~~The overall data between the two periods show that there was a reduction in transactions by approximately 50,000. The revenue collected from this first hour is approximately $250,000.~~

~~The forecast to the end of this financial year expects the overall revenue to be approximately $500,000, which is equivalent to a 1.25% rate increase.~~ The overall data between the two periods show that there was a reduction in transactions by approximately 50,000. The revenue collected from this first hour is approximately $435,000. The forecast to the end of this financial year expects the overall revenue to be approximately $870,000.This is detailed in Tables 1 and 2 below.

FY 2021-22 CARPARK DATA : 1ST HR FREE				
	SEPTEMBER 21 - FEBRUARY 22		Until June 2022	
Car Park Name	Transactions	Amount	Transactions	Amount
Brisbane St	11,630	$ -	21,742	$ -
Chelmsford Rd	40,457	$ -	79,028	$ -
Frame Crt	32,083	$ -	64,595	$ -
Raglan Rd	53,851	$ -	103,758	$ -
Rosemount Hotel	13,139	$ -	24,564	$ -
The Avenue	119,922	$ -	232,173	$ -
View St	22,947	$ -	44,008	$ -
Wasley St	30,869	$ -	60,025	$ -
Grand Total	324,898		629,893	

Table 1: Number of first hour free transactions by car park September 2021 to February 2022

FY 2022-23 CARPARK DATA : $1 FOR THE 1ST HR						
	SEPTEMBER 22 - FEBRUARY 23			Until June 2023		
Car Park Name	Transactions	Amount $1/HR Parking		Extrapolated Transactions	Extrapolated Amount	
Brisbane St	10,546	$	10,022	17,577	$	16,703
Chelmsford Rd	31,753	$	28,450	52,922	$	47,416
Frame Crt	47,397	$	45,031	78,995	$	75,051
Raglan Rd	38,540	$	33,603	64,233	$	56,004
Rosemount Hotel	9,800	$	8,813	16,333	$	14,688
The Avenue	105,678	$	98,777	176,130	$	164,629
View St	13,266	$	11,460	22,110	$	19,101
Wasley St	16,387	$	13,276	27,312	$	22,127
Grand Total	**273,367**	**$**	**249,431**	**455,611**	**$**	**415,719**

Table 2: Number of transactions and revenue for first hour by car park September 2022 to February 2023 (including projections to June 2023).

The information provided in the tables above relates to first hour transactional data only. Transaction data for overall occupancy has been provided in the Briefing notes. This has been categorised by day of the week and also by month. This data has been amended to reflect the overall transactions for each car park, to reflect the overall impact on parking occupancy rather than the just first hour information.

Length of stay

Whilst the overall number of transactions in the car parks has decreased, **the data shows that the overall average length of stay has increased by approximately 20 minutes.**

The data also shows that the overall average length of stay in revenue, has also increased. This is demonstrated in Tables 3 and 4 below.

FY 2021-22 CARPARK DATA : LENGTH OF STAY			
SEPTEMBER 21 - FEBRUARY 22			
Car Park Name	Average length of stay (hrs)	Average length of stay ($$)	
Brisbane St	1:55	$	2.37
Chelmsford Rd	1:15	$	1.06
Frame Crt	3:12	$	5.07
Raglan Rd	1:16	$	1.13
Rosemount Hotel	1:26	$	1.50
The Avenue	2:05	$	2.74
View St	1:10	$	0.97
Wasley St	1:05	$	0.84
Grand Total	**1:40**	**$**	**1.96**

Table 3: Average length of stay and revenue earnt per transaction September 2021 to February 2022.

FY 2022-23 CARPARK DATA : LENGTH OF STAY		
SEPTEMBER 22 - FEBRUARY 23		
Car Park Name	Average length of stay (hrs)	Average length of stay ($$)
Brisbane St	2:10	$ 4.06
Chelmsford Rd	1:20	$ 2.38
Frame Crt	3:12	$ 6.40
Raglan Rd	1:25	$ 2.59
Rosemount Hotel	1:38	$ 3.12
The Avenue	2:10	$ 4.19
View St	1:23	$ 2.59
Wasley St	1:14	$ 2.23
Grand Total	**1:49**	**$ 3.45**

Table 4: Average length of stay and revenue earnt per transaction September 2022 to February 2023.

The data shows that there has been an increase of an average of 9 minutes per transaction between the two periods, and an increase of approximately 56% in revenue per transaction. The increase in revenue will also be influenced by the incremental increase in the hourly rate after the first hour by 20 cents.

Observational notes from Rangers whilst on regular patrols throughout the car parks, have not identified any apparent reduction in the volume of vehicles in the car parks, other than the View Street, Rosemount Hotel and Wasley Street car parks in North Perth.

Short term parking bays, such as the 1/4P parking bays, have been identified as 'always' in use, posing a shift from vehicles that once may have utilised a regular parking bay with a 1 hour free ticket, to now utilising the short term parking bays. This could be a contributing factor to why the transaction numbers have reduced, with exception to the car parks in North Perth.

A comparison has been undertaken between both parking platforms (ticket machine v EasyPark). The data shows that both methods have seen an overall increase in the average length of stay.

Tables 5 and 6 below show that the total parking time taken by the ticket machines has decreased, whilst **the total parking time by patrons using the EasyPark app has increased.**

APARC TM DATA		
FY 2021-22 CARPARK DATA : LENGTH OF STAY		
SEPTEMBER 21 - FEBRUARY 22		
Car Park Name	Total Parking time (hrs)	Average length of stay (hrs)
Brisbane St	32,811	1:43
Chelmsford Rd	57,667	1:18
Frame Crt	194,447	3:16
Raglan Rd	75,447	1:21
Rosemount Hotel	44,015	1:28
The Avenue	280,678	1:37
View St	30,338	1:19
Wasley St	37,682	1:14
Grand Total	**753,085**	**1:39**

EASYPARK DATA		
FY 2021-22 CARPARK DATA : LENGTH OF STAY		
SEPTEMBER 21 - FEBRUARY 22		
Car Park Name	Total Parking time (hrs)	Average length of stay (hrs)
Brisbane St	4,232	2:07
Chelmsford Rd	15,222	1:12
Frame Crt	86,121	3:09
Raglan Rd	21,279	1:12
Rosemount Hotel	13,310	1:25
The Avenue	104,862	2:33
View St	6,524	1:02
Wasley St	6,652	0:57
Grand Total	**258,202**	**1:42**

Table 5: Aparc ticket machine data v EasyPark data for total and average length of stay per transaction September 2021 to February 2022.

APARC TM DATA		
FY 2022-23 CARPARK DATA : LENGTH OF STAY		
SEPTEMBER 22 - FEBRUARY 23		
Car Park Name	Total Parking time (mins)	Average length of stay (hrs)
Brisbane St	31,105	2:15
Chelmsford Rd	48,811	1:36
Frame Crt	166,950	3:23
Raglan Rd	58,877	1:38
Rosemount Hotel	3,701	1:52
The Avenue	232,977	1:51
View St	21,240	1:40
Wasley St	22,119	1:34
Grand Total	**585,780**	**1:58**

EASYPARK DATA		
FY 2022-23 CARPARK DATA : LENGTH OF STAY		
SEPTEMBER 22 - FEBRUARY 23		
Car Park Name	Total Parking time hrs)	Average length of stay (hrs)
Brisbane St	11,250	2:05
Chelmsford Rd	18,245	1:05
Frame Crt	110,319	3:02
Raglan Rd	24,117	1:12
Rosemount Hotel	15,374	1:24
The Avenue	115,125	2:29
View St	7,224	1:06
Wasley St	7,750	0:55
Grand Total	**309,404**	**1:39**

Table 6: Aparc ticket machine data v EasyPark data for total and average length of stay per transaction September 2022 to February 2023.

Overall the data shows a shift in transactions from the ticket machines to EasyPark, however the number of transactions reflect a slight reduction in numbers. It should be noted that EasyPark users only pay for the parking time used (not for the full $1 for the first hour). For example, if a patron parked for 30 minutes and used EasyPark, they would incur a 50 cent parking fee).

<u>Town Centre Economic Spend Data</u>

Economic spend data is derived from Spendmapp, which uses real, continuous and comprehensive bank transaction data to create a moving picture of the economy. Spendmapp shows how long-term trends are reshaping activity and how short-term shocks, events and economic-development initiatives impact spending in different sectors.

The economic spend data is categorised in four sectors:

1. Hospitality – includes cafes, restaurants, cinemas, bars, pubs, bowling alleys and billiard/pool establishments;
2. Food Retail – includes all large and small grocery stores and supermarkets, confectioners, bakeries, fromageries, convenience stores, butchers and liquor outlets;
3. Non-Food Retail – Includes department stores, clothing and footwear stores, uniform suppliers, variety stores, hobby stores, pet stores, antique stores, bike stores, florists and stores selling books, stationary, cosmetics, art and jewellery; and
4. Services – includes medical and allied health services, accounting and legal services, educational services, computer repair, dance schools, cleaning services, dry cleaners, health and beauty spas, massage parlours, hair dressers and barbers.

Approximately $9 of every $10 is spent in one of the above four sectors and businesses in these sectors are mainly based in the City's town centres.

The Spendmapp data is detailed below in Tables 7 to 11.

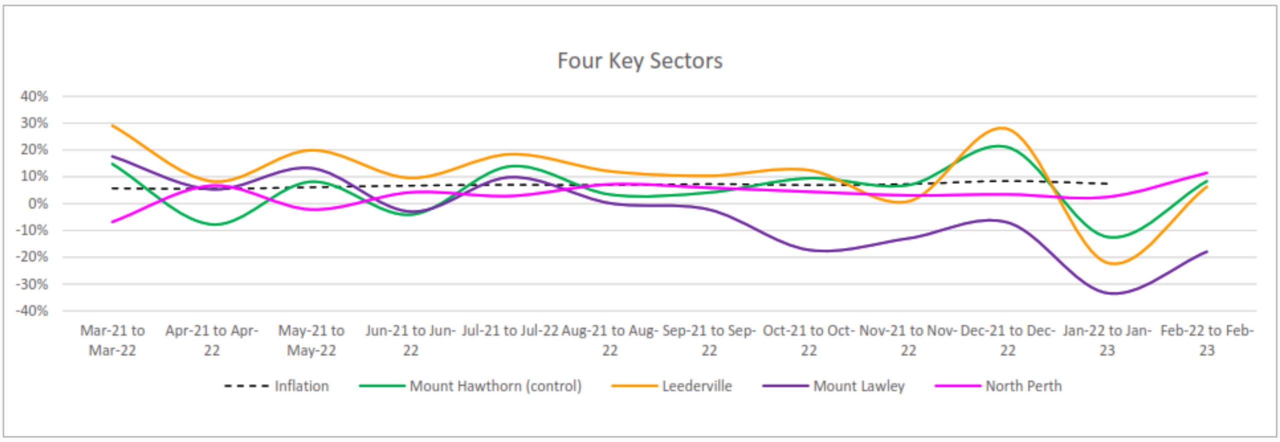

Table 7: Month to month Spendmapp data on all four key sectors from March 2021 to February 2023.

All four key sectors is showing growth relatively consistent with inflation in Mount Hawthorn, Leederville and North Perth, while Mount Lawley is showing negative growth against inflation.

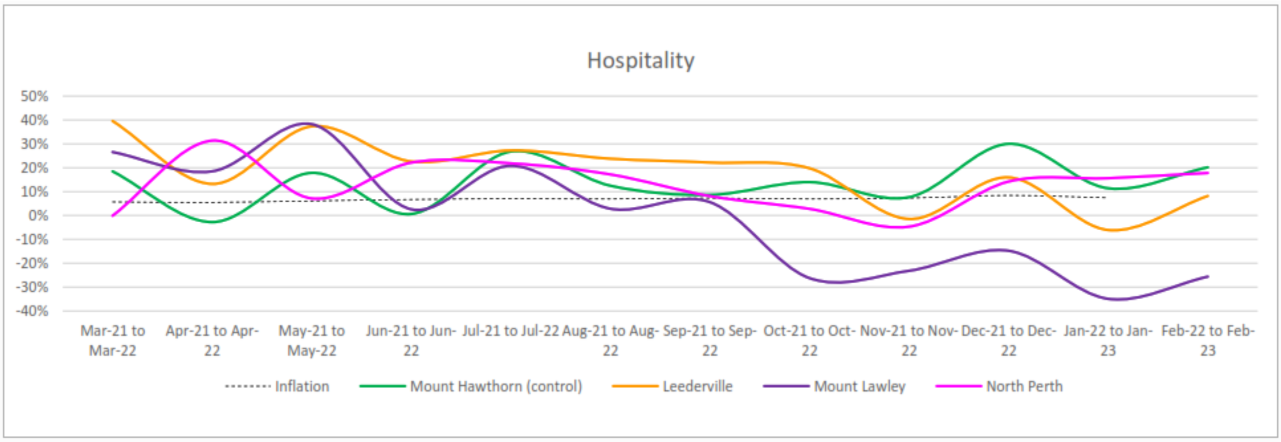

Table 8: Month to month Spendmapp data on the Hospitality sector from March 2021 to February 2023.

The Hospitality sector is showing growth stronger than inflation in all of the town centres, with the exception of Mount Lawley.

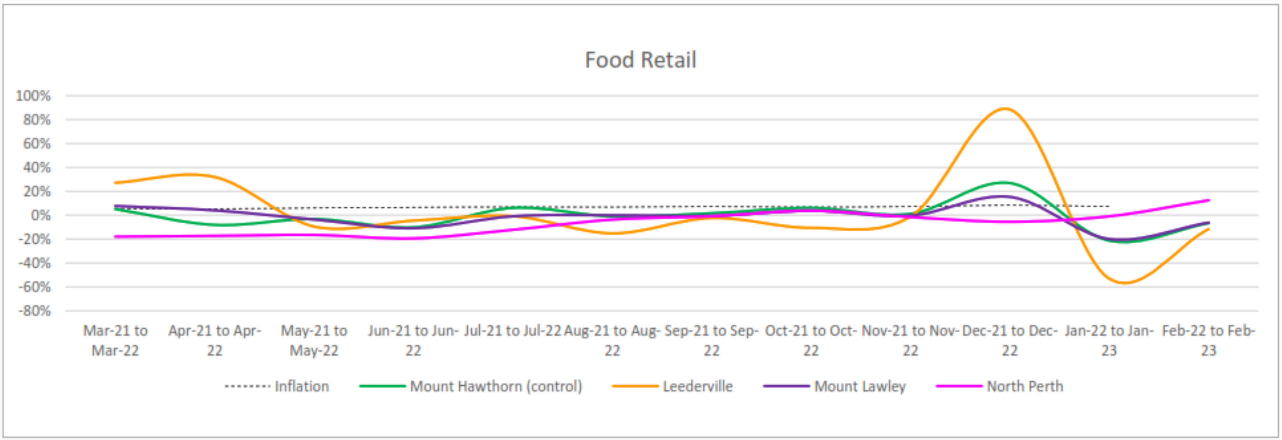

Table 9: Month to month Spendmapp data on the Food Retail sector from March 2021 to February 2023.

The Food retail sector is showing that all town centres are generally underperforming when compared against inflation.

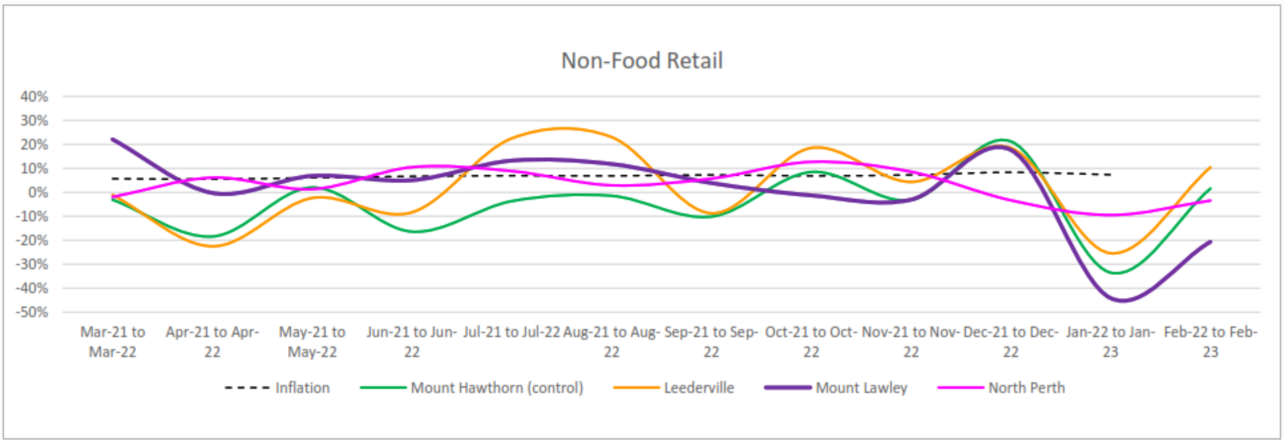

Table 10: Month to month Spendmapp data on the Non-Food Retail sector from March 2021 to February 2023.

The Non-food retail sector is showing that all town centres are generally underperforming when compared against inflation.

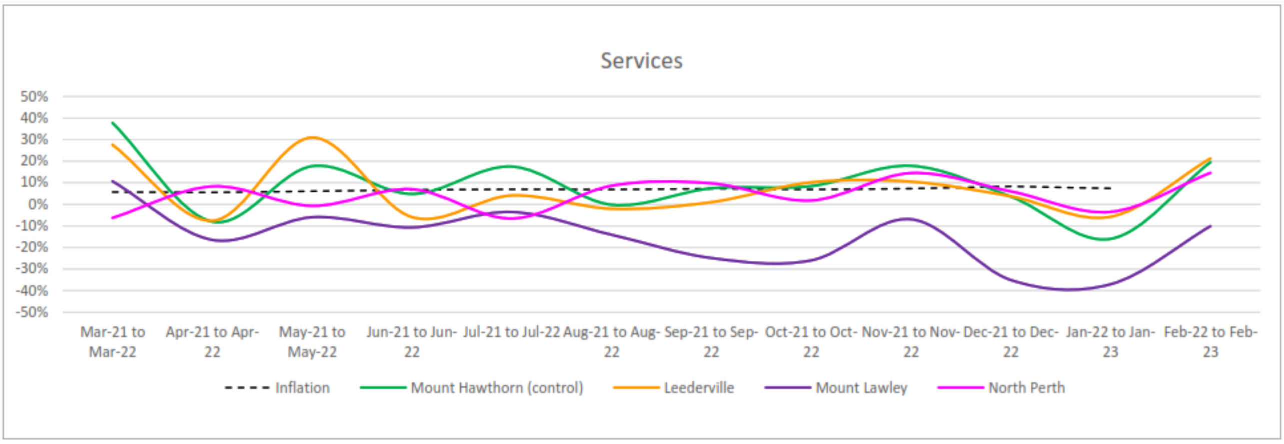

Table 11: Month to month Spendmapp data on the Services sector from March 2021 to February 2023.

The Services sector is showing that all town centres are generally underperforming when compared against inflation.

The slight reduction in parking transactions cannot be linked to a reciprocal reduction in spend across the town centres, which is also identified in the average length of stay increases, with the exception being the Mount Lawley town centre.

<u>On-street Parking</u>

The impact of the implementation of $1 for the first hour in the car parks has had a minimal impact to on-street paid parking bays in the vicinity of the car parks.

Tables 12 and 13 below show that for both periods **there is no significant difference to indicate that parking behaviour has moved from the car parks into on-street paid parking bays.**

This data reflects the parking behaviour on:

- Oxford Street, Leederville;
- Frame Court, Leederville;
- Newcastle Street, Leederville;
- Beaufort Street, Mount Lawley; and
- Chelmsford Road, Mount Lawley

FY 2021-22 KERBSIDE DATA : LENGTH OF STAY / TRANSACTIONS					
	SEPTEMBER 21 - FEBRUARY 22				
Car Park Name	Total Parking time (hrs)	Average length of stay (hrs)	Average length of stay ($$)		Total Transactions
Oxford St	46,320	0:50	$	2.77	52378
Frame Crt	10,106	1:58	$	6.14	5133
Newcastle St	23,236	1:01	$	3.38	18610
Beaufort St	10,831	1:01	$	2.75	10712
Chelmsford Rd	3,620	0:54	$	2.92	3922
Grand Total	**94,113**	**1:09**	**$**	**3.59**	**90755**

Table 12: On-street paid parking data for total and average length of stay per transaction September 2021 to February 2022.

FY 2022-23 KERBSIDE DATA : LENGTH OF STAY / TRANSACTIONS				
	SEPTEMBER 21 - FEBRUARY 22			
Car Park Name	Total Parking time (hrs)	Average length of stay (hrs)	Average length of stay ($$)	Total Transactions
Oxford St	46,906	0:51	$ 2.97	53330
Frame Crt	10,952	1:54	$ 6.49	5730
Newcastle St	24,317	1:05	$ 3.76	18298
Beaufort St	13,393	1:02	$ 3.64	13150
Chelmsford Rd	4,534	0:51	$ 2.96	5143
Grand Total	**100,102**	**1:08**	**$ 3.96**	**95651**

Table 13: On-street paid parking data for total and average length of stay per transaction September 2022 to February 2023.

The data for both time periods shows a marginal increase in total parking time, average length of stay in revenue and total transactions, while the average length of stay has remained constant.

This trend appears to be different to North Perth, where there has seen a change in parking behaviour with some vehicles moving to on-street time restricted parking bays where it is free. Rangers have increased their patrols in these streets to ensure that the time restrictions are being adhered to, and as a result of the increase in Rangers presence, minimal abuse of these parking bays has been identified.

<u>Precinct Parking Management Review</u>

The Precinct Parking Management Review is currently underway with work being done by the commissioned consultant. This review is one of the actions derived from the *Accessible City Strategy (ACS)* which was adopted by Council at its 18 May 2021 meeting.

Action item 3.3.1: Establish a business plan for the management of parking within Vincent with a view to the following:

- Prepare precinct specific parking management plans with priority given to precincts already at capacity; and
- Expand paid parking using the 'demand responsive pricing' methodology.

The report that will be presented to Council in the 2023/24 financial year, will consider all parking on-street including North Perth and provide appropriate methods to address the parking behaviour.

<u>Complaints</u>

The implementation of the $1 for first hour has not reflected an increase in complaints regarding parking behaviour.

For the period September 2021 to February 2022, a large number of complaints were received specifically related to the Raglan Road car park in Mount Lawley, with the basis of the complaints around the request for Rangers to check for vehicles without parking tickets displayed and to monitor the 1/4P parking bays, for vehicles parking over the time.

The basis on all complaints received over this period and also September 2022 to February 2023, were for Rangers to check the short term parking bays which included the 1/4P bays both in the car parks and on-street within the vicinity of these car parks. The low number of complaints received, could be attributed to the regular presence of Rangers patrolling these locations.

CONSULTATION/ADVERTISING:

The City informed the community of the change to $1 for the first hour initiative, with some negative feedback generated. Two motions were passed at the Annual General Meeting of Electors held 20 February 2023 seeking pay return to first hour free with the City's response being that these would be addressed during this analysis.

LEGAL/POLICY:

The *Local Government Act 1995* section, 6.16(1) which provide a local government may impose and recover a fee or charge for any goods or service it provides or proposes to provide, other than a service for which a service charge is imposed.

Section 6.16(2)(a) provides a fee or charge may be imposed providing the use of, or allowing admission to, any property or facility wholly or partly owned, controlled, managed or maintained by the local government.

RISK MANAGEMENT IMPLICATIONS

Low: It is low risk for Council to consider the impacts of the $1 for the first hour car parking initiative.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2018-2028*:

<u>Accessible City</u>

We have better integrated all modes of transport and increased services through the City.
We have embraced emerging transport technologies.

<u>Thriving Places</u>

Our town centres and gathering spaces are safe, easy to use and attractive places where pedestrians have priority.

<u>Innovative and Accountable</u>

We are open and accountable to an engaged community.

SUSTAINABILITY IMPLICATIONS:

This does not contribute to any environmental sustainability outcomes. This action/activity is environmentally neutral.

PUBLIC HEALTH IMPLICATIONS:

This does not contribute to any public health outcomes in the *City's Public Health Plan 2020-2025.*

FINANCIAL/BUDGET IMPLICATIONS:

The implementation of the $1 first hour in car parks has generated $250,000 to date and is anticipated to generate $500,000 per annum (based on current fee structure). A return to the first hour free model (or version of this) will require the Council to address the short fall in revenue.

COMMENTS:

In summary the implementation of the $1 first hour car park fee has generated additional revenue for the City with a slight reduction in transaction numbers, however offset by an increase in the average length of stay. The economic data suggest that consumer spending in Town Centres has not been negatively influenced by this change.

Some negative impacts of parking behaviour has occurred in North Perth with some parking moved from car parks to on-street parking. This issue will be addressed in the Precinct Parking Management Review.

Administration recommends that the $1 for first hour continue in the City's car parks.