

Travel Demand Management

Parking Policy Proposal—Summary Report



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1. Executive Summary

McCormick Rankin Cagney (MRC) was commissioned by Rotorua District Council (RDC) to recommend parking policies as a component of the Council's recently adopted *Travel Demand Management (TDM) Strategy*. These policies are intended to comprise of:

- A policy for implementation of public on-street parking within the Rotorua CBD; and
- A link to this public parking policy to the proposed District Plan Review provisions for off-street (private) parking within the CBD; and
- An appropriate mechanism for funding off-street public parking, if and when required.

The TDM recommended changing the District Plan's parking provisions and RDC is aware of perceptions in the community that the existing off-street parking requirements for some activities in the CBD are too onerous, and an obstacle to development.

The need for this project reflects a growing awareness that current parking policies, especially minimum parking requirements, are undermining the economic, social, and environmental performance of New Zealand's town centres.

Ultimately, these policies are intended to provide an over-arching strategic framework for the future provision of parking in Rotorua, particularly in the CBD.

Successful urban centres depend on having access to a well-managed parking supply. Local councils play a key role in managing the parking supply: they regulate the supply of private off-street parking (usually through minimum parking requirements) and also the use of public parking (both on and off-street), by setting time-limits and/or prices.

This project identifies policies and practices designed to ensure that the right amount of parking is available in the right location and at the right price, where the 'right price' may be zero depending on demand and/or local circumstances.

This summary report is supported by a detailed technical report.

Minimum parking requirements are regulations that require all new developments to provide a sufficient number of car-parks to cater for their own individual peak parking demands, based on the size and nature of the proposed activity.

In New Zealand, minimum parking requirements are determined by local councils and implemented through District Plans. Minimum parking requirements are a historical hangover from when land was relatively cheap and payment technologies relatively inconvenient. For the last few decades, minimum parking requirements were seen as the easiest way councils (both here and overseas) could shift responsibility for providing parking to the private sector.

We now know that minimum parking requirements are both inefficient and expensive. They are inefficient because they attempt to meet the demand for free parking (which is much higher than the true demand for parking). Meanwhile, minimum parking requirements are also expensive because they provide parking to the exclusion of other much more valuable activities. These characteristics are magnified in compact areas where land is scarce and land values are generally higher, such as CBDs and town centres.

One of the key messages of this project is that parking is never free; the costs are simply taken up elsewhere in the economy. By bundling the costs of parking into the costs of development, minimum parking requirements drive up the cost of goods and services for everyone, regardless of how much parking they use.

The results of a November 2006 parking survey of Rotorua's CBD found significant variation in the utilisation of the city's on-street public parking resources at peak times, ranging from 40% to 95%. This suggests that there is sufficient supply overall but in many areas (40% of the surveyed parking supply), particularly near Tutanekai Street where there is high retail demand, the demand is greater than the desirable level of 85%. This is undesirable as it effectively means there is no opportunity for additional customers to park in the area to gain access to the retail stores in this part of the CBD. The survey identified that a major contributor to the high occupancy levels was the high demand for all day parking by commuters. These results indicate that there is scope for more responsive demand management measures in the CBD.

This project recommends a step-change in the way that parking is managed in Rotorua's CBD. The recommended measures are summarised in the following table (these are discussed in detail in the report that follows).

Recommendation	Description	Priority	Timing
1. Exercise discretion for developments with parking shortfalls.	Council should exercise discretion to approve developments with parking shortfalls of less than 20 spaces in the CBD provided that demand for on-street spaces is monitored and prices are managed (see recommendation 2 below).	Essential	Ongoing ¹
2. Review and develop performance based parking practices.	Performance based practices ensure that parking is well-used but not over-saturated. A review of pricing levels and time restrictions is appropriate.	Essential	Ongoing
3A. Remove minimum parking requirements in the CBD.	Minimum parking requirements within the CBD should be completely removed from the District Plan via the District Plan Review.	Essential	0-3 yrs
3B. Remove minimum parking requirements outside of the CBD.	Minimum parking requirements outside of the CBD could be partially removed from the District Plan via future Plan Changes or District Plan Reviews.	Low	10-20 yrs
4A. Review technical standards for parking and turning areas and introduce Transport Impact Assessment (TIA) triggers	These should be amended and introduced (as part of the current District Plan Review process).	High	0-3 yrs
4B. Control the quality of off-street parking.	Implement design criteria or principles (as part of the current District Plan Review process) to control the quality of the off-street parking provided with new developments.	High	0-3 yrs
5. Consider implementing parking maximums.	The current minimum parking requirements could be established as new maximums for the purposes of defining permitted activities. ²	Low	10-20 yrs

¹ Until the new District Plan provisions have full legal effect.

² Council retains discretion to approve developments that provide parking in excess of this permitted maximum, provided the overall development aligns with strategic objectives.

6. Support parking management services	Council should use parking revenues to support TDM services, such as workplace travel plans.	Low	5-15 yrs
7. Investigate off-street parking facilities	Investigate the development of structured parking at sites at Rotorua Central Mall, Huapapa Road South and Arawa/Fenton Street.	Low	10-20 yrs
8. Remove some on-street parking and restrict vehicle movements in part of the CBD	Remove some on-street parking in the central part of the CBD around Tutanekei Street and restrict vehicle movements in the area; these areas would benefit from a more pedestrianised environment.	Medium	2-5 yrs

While these changes represent a step-change in parking policy, they are not expected to result in rapid changes on the ground. Indeed, previous experience with parking reforms suggests the full impacts will be borne out only gradually (indeed over several decades) as more efficient parking management practices emerge and are taken up by the market. Ultimately these measures will create a "market" for parking resources that will encourage more efficient management of parking resources and better travel and lifestyle choices.

These recommendations reflect that measures to improve parking in the CBD are not limited to District Plan provisions only, but require corporate changes in Council's parking policies so that it results in a more performance-based approach. Similarly, these measures are only one facet in improving CBD vitality.

We suggest that the implementation of our suite of recommended reforms, in combination, will assist the Rotorua CBD to realise the benefits of a well-managed parking supply. Over time these reforms will free up space for more valuable activities, thereby contributing to a more productive and vibrant local economy in the CBD and more balanced travel and lifestyle patterns.

It is emphasised that the planning recommendation to remove off-street parking minimum controls from the District Plan will only be effective when implemented in conjunction with all of the recommended parking management demand reforms.

2. Background

2.1 The Role of Parking in the Land Transport System

Parking is an essential and expensive component of the transport system required to support private vehicle travel. The cost of the car transport system is therefore the sum of the cost of :

- purchasing and operating cars; and
- constructing and maintaining roads; and
- providing parking.

Of these components, parking is often the most expensive component of the car transport system. These costs would ideally be charged directly to users of parking resources, but in many cases parking is not paid for directly by drivers and therefore there is no incentive for them to consider other options that would decrease their demand for parking. Those who happen to reduce their demand for parking (e.g. by car pooling, using public transport, buying goods via phone/internet orders utilising home delivery, or using other transport modes) are effectively being penalised as, to some extent, they ultimately pay for the cost of parking when it is bundled up in the costs of development, through the prices of goods and services even though they do not use the “free” parking provided.

Successful urban centres depend on having access to a well-managed parking supply. Local councils play a key role in managing the parking supply: They regulate the supply of private off-street parking (through minimum parking requirements required by District Plan provisions) and also the use of public parking (both on and off-street), by setting time-limits and/or prices.

2.2 Understanding Current Parking Practices

2.2.1 Off-Street Parking Management Practices

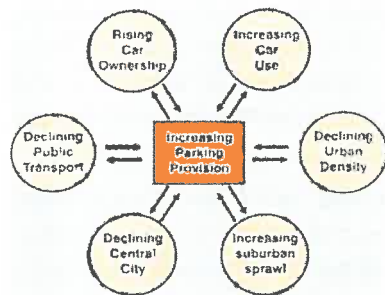
For the last five decades or so most cities and districts have implemented “minimum parking requirements” that force developments to provide for their individual parking demands off-street. District Plan minimum parking standards require new developments (including changes of use of existing buildings in some cases) to provide a certain number of car-parks based on the size and nature of the development. Minimum parking requirements attempt to reduce demand for public parking by shifting responsibility for parking provision onto the private sector. However, in trying to solve one problem they have, albeit unintentionally, created a number of others. Minimum parking requirements attempt to meet the demand for ‘free’ parking generated by individual developments. Unfortunately, we know that parking is not really free; the costs are simply shifted into other parts of the economy such that the use of private vehicles is subsidised.

Minimum parking requirements essentially shift the costs of parking out of the transport system, where it could be effectively managed by users, and instead bundles it into the costs of development, where it is effectively paid for by everyone irrespective of how much parking they

use. This flows through into higher rents and, ultimately, higher prices for goods and services. In reality, parking is never free: by paying nothing directly for parking we actually all end up paying more for everything else.

The longer term implications of such parking policies, at least in their current form, tend to support self-reinforcing cycles of vehicle dependence. Put simply, providing parking creates additional demand for parking. Some of these cycles are illustrated in figure 1 below³.

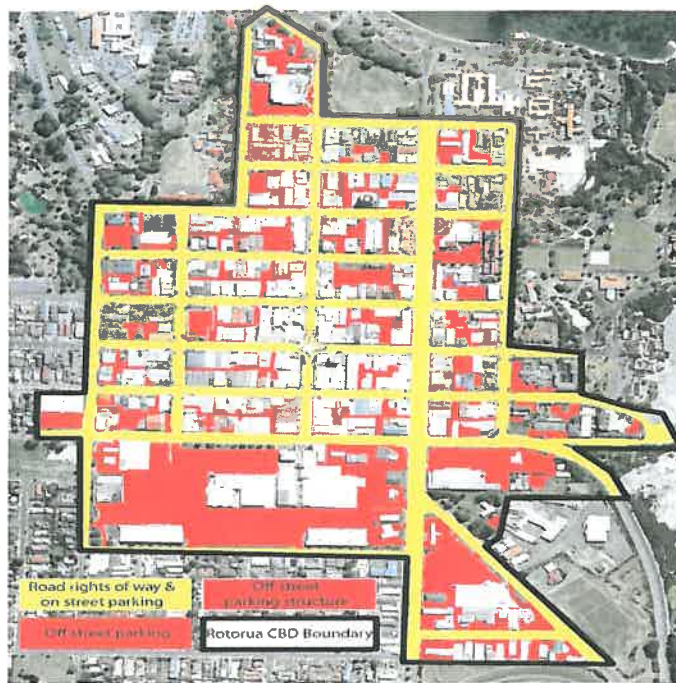
Figure 1: Self-reinforcing cycles of vehicle dependence and parking provision



Requiring the provision of parking also reduces the space available for other potentially more valuable activities. For example, the average car-park takes up approximately 30m² of floor space, once allowance is made for vehicle access and manoeuvring, equivalent to the space required for the average studio apartment. The vast amount of land used to provide on and off-street parking in Rotorua's CBD is illustrated in figure 2 below.

Figure 2: Land reserved for parking and access in the Rotorua CBD

(red = parking; yellow = streets, on-street parking and rights of way)



³ Draft ACT Parking Strategy, 2007

The continued application of minimum parking requirements will therefore greatly increase the costs of development, and in the process undermine opportunities for economic development, particularly in town centres such as Rotorua's CBD. It is therefore important that RDC openly acknowledge the negative impacts of current parking policies, which include:

- **Travel demand management:** An abundant supply of low-cost⁴ or "free" parking has stimulated excessive demand for vehicle based travel and lifestyle patterns (Shoup, 2005). This is inefficient in three ways. Firstly, it discourages people from using cars more efficiently, such as through car-pooling and trip-linking. Secondly, it artificially reduces the attractiveness of alternative transport modes, such as walking, cycling, and public transport. Finally, it undermines the viability of transport services that reduce the need to travel altogether, such as car-share schemes (e.g. www.cityhop.co.nz), home delivery services (e.g. www.foodtown.co.nz/HomeShopping/Shop.aspx), and telecommuting. Home delivery is (and has been in the past) a viable service in provincial towns and cities such as Rotorua, but struggles to compete due to parking subsidies.
- **Traffic safety:** Minimum parking requirements have negative implications for road safety by requiring individual developments to provide off-street parking on a site-by-site basis. Exclusive site based parking requirements create a large number of vehicle accesses to the road system which in turn create more complex vehicle turning movements and increasing conflict between vehicles and pedestrians.
- **Urban form:** Minimum parking requirements contribute to a sprawling and fragmented urban form, which is quite evident in Rotorua. By requiring that parking is provided on a site-by-site basis, minimum parking requirements create a large number of relatively small parking areas that serve one destination (Seibert, 2008). This is less efficient than a situation where consolidated parking areas may be used to access multiple destinations in the surrounding area. The high numbers of vehicle access ways break up the street frontages and reduce safety and security. Even in Rotorua, which has relatively low levels of congestion, people tend to avoid living close to busy roads.
- **Social impacts and equality:** Minimum parking requirements bundle the cost of parking into the overall costs of development, which in turn is recovered through higher prices for most goods and services. People that do not have access to a vehicle, or alternatively are unable to drive, are therefore paying for parking that they do not use. Consequently the compliance costs created by minimum parking requirements fall disproportionately on low-income households (Litman, 2009).

2.2.2 On-street Parking Management Practices

Demand for on-street parking is often managed through the use of time limits. These limits are often seen as a way to increase turnover and discourage long-stay parking and to this end they are relatively effective.

⁴ By "low-cost" parking we are referring to the situation where drivers do not pay directly for the full cost of the parking they use. Of course, in situations where the cost of parking is bundled together into the cost of goods and services then drivers will pay, indirectly, for some of the parking they use. However, the key point is that when the cost of parking is bundled into the costs of goods and services, then everyone pays for parking - irrespective of how much they actually use. This means that people who travel by foot, bicycle, or public transport are subsidising the cost of parking for those who travel by car. When placed in this context, our use of the term "subsidised" parking would seem to be appropriate.

On the downside, however, time-limits:

- place constraints on the types of activities that can be undertaken and reduce the ease with which people can spend time in the town centre.
- are expensive to enforce because officers must mark and subsequently return to vehicles.

For these reasons time-limits are a “second best” parking solution that is appropriate only in those situations where prices are unlikely to be effective. In almost all other situations, priced parking is preferred.

Priced parking (also called user pay and metered parking) refers to direct charges for using a parking space. One major advantage of pricing is that it prioritises spaces for high value customers while discouraging the inefficient use of parking resources by long stay (and typically low-value) users, such as commuters. Evidence suggests that these users are 5-10 times more sensitive to prices than people who park for only a short time. Pricing is first and foremost about managing demand, rather than a mechanism for gathering revenue (Litman, 2006). Unfortunately, many councils use prices rather bluntly and without awareness of their strengths and weaknesses. In particular, prices should be demand responsive and ensure that car-parks are well-used but not over-saturated.

2.2.3 The Rotorua context of parking provision

The following documents inform the local context:

Operative Rotorua District Plan

Parking in the CBD is managed through the existing District Plan provisions. The rules and requirements relating to parking are provided for in Part Eight of the Plan for the Commercial A, B and B1 zones and in Part Six for Resort A zones. The design and construction of parking and turning areas, together with the minimum parking requirements are detailed in Appendix F.

Minimum parking requirements are only required for a limited number of activities in the CBD, as depicted in the following table:

Zone	Specified Activities for which Minimum off-street Parking Standards of Appendix F apply
Commercial A (CBD Core)	tourist accommodation household units
Commercial B (CBD Fringe)	tourist accommodation household units Other activities exceeding GFA 1,050 m ²
Resort A (CBD)	tourist accommodation home based business enterprises casinos convention centres

The Traffic Bylaw 2008 of Rotorua District Council

The objective of this Bylaw is to set the requirements for the parking and associated control of vehicular or other traffic on any road in the district, including state highways located within any urban boundaries that are otherwise controlled by New Zealand Transport Agency. The recommendation of this study falls within the provisions of the Bylaw.

2.3 Emerging Changes in the way Parking is being managed

Major changes in parking policies are underway in many cities and towns in New Zealand and internationally. These changes have been in response to an increased awareness of the central role played by parking in the overall land transport system and its subsequent implications for economic competitiveness. Parking reforms (either permanent or trials), of the types recommended for Rotorua, in other towns and cities in New Zealand and overseas have reported the following positive outcomes:

- Increased vehicle turnover with no apparent negative effects on overall utilisation;
- Improved accessibility of a town centre as some parking is always available;
- The businesses in the old town have flourished compared with the newer nearby shopping mall that offered free parking;
- Commuters were forced to park elsewhere and/or use other modes of transport;
- Increased revenues from priced parking have been reinvested into public realm improvements in the area, embraced by local businesses and other stakeholders. The implementation of a Transport Management Association to manage parking revenues ensures that this continues and these stakeholders are continually engaged with this process;
- One city's visitor expenditure survey (by transport mode) found that people who walk tend to spend the most followed by cyclists, taxis, and others; then public transport users and finally vehicle drivers.

We are confident that the future economic competitiveness of Rotorua depends more on improving the efficiency with which existing parking is used than it does on increasing the amount of parking that is available. This therefore has consequences with regard to how the Rotorua District Plan requires off-street parking for new developments and changes of use.

2.4 Parking and Economic Competitiveness

One of the aims of this report is to ensure that future changes to parking policy are aligned with one of RDC's strategic visions, which is to increase the uptake of sustainable transport modes while maintaining overall economic competitiveness, particularly in the CBD. Parking policies have broad implications for economic competitiveness at a number of levels:

- At the town centre level, parking policies affect their attractiveness as places to live, work, and invest. Inefficient parking policies will use up valuable floor space and increase traffic congestion, which flows through into higher costs of goods (including accommodation), services, and reduced amenity.
- This will affect Rotorua's economic competitiveness in comparison to other towns in the Bay of Plenty region, and other tourist destinations in New Zealand, and subsequently affect Rotorua's ability to attract more tourists, migrants and capital investment.

Parking policies may have implications for the economic competitiveness of the CBD in relation to outlying commercial areas. Parking reforms are likely to influence the distribution (more than the rate) of economic development in the CBD and outlying commercial areas. More efficient parking policies are likely to attract high-value, space efficient commercial and retail activities to the CBD (e.g. cafes), while less space efficient activities (e.g. large format retail) relocate to outlying commercial areas.

3. Best Practice Principles of Parking Management

Put simply, parking policies should aim to ensure that the right amount of parking is available at the right price⁵. The following sections devise best practice principles of parking management to achieve this objective and others. Based on our experience we identified the following nine principles (adapted from Litman (2006a)) set out below. These principles underline the need to move away from the “predict and provide” type policies of the past, particularly minimum parking requirements, as discussed in previous sections.

1. *Consumer choice*: Consumers should be directly rewarded for making travel and lifestyle choices that reduce their demand for parking. Even in areas that are not accessible by public transport, people can choose to use vehicles more efficiently through, for example, car-pooling, trip-linking, or considering alternatives to personal vehicle travel, such as telecommuting and home-delivery. Similarly, parking management measures should be designed to positively influence people’s choices, such as where to park, without imposing restrictions (such as time-limits) that arbitrarily reduce people’s choice and/or convenience. Furthermore policies must ensure that good choices, such as when and where people elect to park, are rewarded.
2. *Pricing*: As much as possible, users should pay directly for the costs of providing parking facilities, including the opportunity cost of the land it occupies. Parking costs need to be effectively “unbundled” from the cost of development. This is likely to reduce costs for those people who choose to use less parking, either through substitution (i.e. changing transport mode) or conservation (e.g. car-pooling to work). Pricing policies should aim to create accurate price signals, rather than subsuming costs elsewhere in the economy, thereby supporting the principle of consumer choice. We do note however that RDC does currently charge for public parking in parts of the CBD, and the rate is generally \$1 per hour.
3. *Sharing*: Parking facilities should serve multiple users and destinations. This allows for parking resources to accommodate variations in peak demand associated with different land uses. Price signals encourage the private sector to consider opportunities to share parking more efficiently, such as restaurants using retail or office parking areas in evenings. Parking should, to the least degree possible, be tagged or coupled with individual developments. In this way, parking demands can be accommodated more efficiently.
4. *User convenience*: To make good choices users need to be well informed of the location, availability, prices, regulations, and penalties associated with the use and/or misuse of parking facilities. Where justified, information could be provided by way of a coordinated parking information system with electronic message signs. Signs conveying information of parking regulations need to be clear and legible. The key goal is to increase the convenience associated with parking in the CBD, even if this is associated with higher prices. We note that the aim of parking enforcement is not to raise revenue through issuing tickets, but to encourage compliance and thereby improve the convenience of parking in

⁵ Where the right price may be zero depending on demand and/or the local context.

the affected area. In the case of Rotorua a coordinated parking information system would appear to be unnecessary, however simple signage directing drivers where off-street parking facilities have been provided by Council would be appropriate.

5. *Quality design:* An emphasis on the quality of parking facilities is as important as the quantity of parking provided. Parking facilities should be designed so as to support passive surveillance, pedestrian accessibility, and user information. A focus on these qualities can greatly increase the distances people are prepared to walk and spread demand for parking more evenly across a wider area.
6. *Peak demand management:* Special measures should be implemented to deal with peak demands in recognition of their negative impacts on driver frustration, illegal parking, and traffic congestion. Such measures might, for example, provide for over-flow parking at local schools during peak Christmas periods while providing employees with free public transport. Special events should also be expected to contribute to travel demand management measures, such as free public transport.
7. *Simplicity:* The aim of parking enforcement is not to raise revenue, but to encourage compliance and thereby improve the convenience with which people can visit the City Centre. Public antipathy to parking reforms is often based on perceived injustices associated with the enforcement of hard to understand and/or confusing regulations, especially time-limits.
8. *Prioritisation:* The most desirable parking spaces should be managed to support higher-priority users. This principle effectively seeks to establish a hierarchy of parking users based on their specific needs – whether this need reflects personal circumstances (such as with the mobility impaired) or vehicle geometry (such as commercial vehicles).
9. *Comprehensive analysis:* All benefits and costs should be considered when managing parking resources, with the most cost-effective strategies implemented first. Expansions in the parking supply are typically not cost-effective when compared to demand management measures.

These parking principles are intrinsically positive and outcome oriented. In this way, they provide a good launching pad for public consultation and community engagement. More specific elements of a performance-based parking policy are discussed in the following section.

4. Parking Policy Reform in Rotorua

Three parking policy options were developed and then evaluated, using a weighted scoring methodology, against the 3 most critical of the parking principles⁶ and ten criteria derived from relevant regional policies and local objectives, so as to identify a “preferred” package of parking reforms. The 3 options are:

- **Option 1 – Refine the status quo:** This option seeks to mitigate the negative impacts of current parking practices in a very gradual fashion. Key components of this option include: 1) retaining current minimum parking requirements but introduce an associated cash-in-lieu scheme and 2) manage demand for parking by enforcing shorter time-limits.⁷ This option enables developers who are not able or willing to provide minimum parking requirements on their site to still secure a resource consent without having to enter into a formal legal arrangement with another landowner in the vicinity to gain access to parking spaces on their property. They have the option of making a cash-in-lieu contribution towards public parking facilities in the area for each required car park not provided as part of their development.
- **Option 2 – Performance based parking management:** This policy moves away from prescriptive minimum parking requirements and instead establishes a performance-based policy framework. Key components of this option include: 1) abolish prescriptive minimum parking requirements for all developments within the CBD; 2) implement a performance-based management policy to manage demand for parking at certain levels using appropriate tools; and 3) establish a Transport Management Association ('TMA') to assist with the promotion and implementation of sustainable parking management in Rotorua. Additional public off-street parking may be developed as required, where funding is initially derived from general funds but progressively shifted to user-charges.
- **Option 3 – Parking restraint:** This option attempts to actively restrict parking in centres so as to reverse the over-supply of under-priced parking. Key components of this option include: 1) changing minimum parking requirements into maximums; 2) actively reducing the supply of public parking (both on and off street); and 3) implementing prices (or higher prices if they already apply) over the entire CBD, irrespective of demand.

The results of our assessment found that *Option 2 – Performance based parking management* is the preferred option. The policies of this option are likely to best support the future development of Rotorua's CBD and ultimately other urban areas within Rotorua. These,

⁶ Consumer choice, pricing and sharing.

⁷ Where developments do not provide the minimum off-street parking this should trigger a restricted discretionary assessment of parking, requiring the developer to either (i) pay a cash-in-lieu payment or (ii) submit a parking report to demonstrate that the proposed off-street parking will be sufficient to meet demand and how residents' and/or employee and visitor parking will be managed.

together with other recommendations, including those of lower priority, are summarized as action points in the colour coded table in the executive summary of this report.

5. Parking Recommendations for Rotorua

5.1 Summary

Our parking recommendations are summarised in the following table, which indicates whether or not each particular recommendation has implications for the Council's District Plan Review. The key reforms are then described in more detail in the following parts of section 5⁸.

Recommended Reform	District Plan Review Implications
Remove minimum parking requirements in the CBD	Yes
Review and develop performance based parking practices	No
Review technical standards for parking and turning areas and introduce Transport Impact Assessment (TIA) triggers	Yes
Control the quality of off-street parking	Yes
Support parking management services using parking revenues	No
Investigate off-street parking facilities	No
Remove some on-street parking and restrict vehicle movements in part of the CBD	No

5.2 Remove Minimum Off-street Parking Requirements

We recommend that RDC remove all off-street parking minimums required by the District Plan for all sites in the CBD⁹. It is important to emphasise that the removal of minimums within the CBD does not mean that no off-street parking can or will be provided. It will simply let the market determine the amount of off-street parking provided for individual developments and establish a market for parking. This approach will encourage development that may not otherwise occur on sites where providing the minimum parking required for residential units, tourist accommodation (Commercial A and B zones) and other activities exceeding 1,050 m² GFA (Commercial B zone) and elsewhere in the CBD is prohibitive due to land constraints or uneconomic circumstances. We consider that this will ultimately:

- encourage new activities, including residential units, tourist accommodation and other mixed use developments, to locate in Rotorua's CBD; and

⁸ With the exception of the final reform in the table as insufficient investigation has been undertaken on this as it is outside the scope of this project.

⁹ The CBD boundaries as defined by Attachment A of the District Plan.

- result in more efficient use of off-street parking and encourage the sharing of parking resources.

Together these will lead to:

- contribution towards an increase in economic activity in the CBD; and
- a reduction in traffic congestion; and
- an increase in pedestrian and cycle movements; and
- more pedestrian orientated developments and greater pedestrian amenity; and
- increased public transport patronage.

If prices for on-street parking in the CBD and elsewhere are introduced and/or increased¹⁰, parking revenues will be increased over time. The additional funds generated should be put toward improvements to the CBD such as appropriate projects listed in Section 4.0 'Framework Plan' of the Rotorua Urban Design Framework 2010 and other similar projects supporting increased amenity in the CBD and alternative modes of transport. This investment in the public realm will, in turn, increase the attractiveness of the CBD for businesses, residents and visitors, contributing to further private sector investment and with this, an increase in rates revenue and an increase in the vitality and vibrancy of the CBD.

It is emphasised that our planning recommendations to remove CBD off-street parking minimum controls from the District Plan will only be effective when implemented as part of a coordinated package of parking policies. It is imperative that these are implemented in conjunction with the parking management demand reforms outlined below, and that these reforms are monitored periodically to ensure on-street parking prices respond to demand, targeting 85% occupation.

Due to the long term nature of commercial land development, these changes will also take some time to have effect and the impacts will be gradual over the lifetime of the next District Plan and subsequent Plans.

5.3 Parking Management Demand Reforms

Parking practices should ensure the right amount of parking is available in the right place and at the right price, where the right price may be zero depending on demand and local circumstances. Put simply, Councils should ensure that parking is well-used but not over-saturated.

Our analysis of the parking surveys undertaken for the Rotorua TDM Strategy 2007 show that parking demand is too high (i.e. saturated) in some areas of the CBD where this is restricting accessibility for shoppers and other visitors. Elsewhere parking demand is very low where there is a surplus of supply. Therefore some changes of the current pricing of public parking should be undertaken and in all cases, prices should be periodically monitored so that they can be relatively easily adjusted up or down in response to demand.

We recommend RDC develop performance-based parking practices in Rotorua. This should build on the principles discussed previously and also contain specific details on:

¹⁰ Only where demand is sufficient to justify them.

- *Aim:* The aim of parking management is to ensure the right amount of parking, in the right location, and at the right price. Parking should be well-used but not over-saturated so as to support economic activity and convenient access.
- *Target utilisation:* Council will manage demand such that utilisation normally sits within 70-90% of available parking supply. Where average parking demand falls outside this range, then RDC will consider the following possible actions:
 - Demand falls below 70% - RDC should consider relaxing time restrictions and reducing prices, if they apply, to increase demand. Where prices apply, they should be allowed to vary depending on demand; Auckland City's current practice of applying a flat hourly rate is not a good long-term solution. Should low utilisation persist in the long term, then it may be necessary to consider more permanent, design-based solutions, such as building out surplus parking (through streetscape upgrades, improving connectivity to surrounding destinations, installing street kiosks, or promoting increased awareness of available parking).
 - Parking demand exceeds 90% - Where they do not already exist, when demand exceeds this level RDC should implement prices for parking. We note that time-limits have several negative impacts, including discouraging high-value shoppers and increased "churn." For this reason we do not recommend time-limits of less than P120. Where prices cannot be justified, time limits of no less than P120 can be introduced to areas that have no parking restrictions. Should demand exceed 90% even in situations where P120 limits apply (and are enforced), then RDC should strongly consider implementing pricing (by way of pay and display). This should be targeted to areas of high demand rather than across a wider arbitrary area. In the CBD this will, for example, encourage commuters to park in less convenient areas further away from the centre, freeing up more convenient car-parks for short-stay visitors.
 - Where demand is within or exceeds the target range, RDC should install pay and display smart meters enabling customers to have a range of convenient payment options. These could also replace the double meter coin operated meters in use.
- *Consultation:* The aim should be to move away from consulting on detailed changes, such as what time-limits and/or prices apply on specific streets, to instead consult on how Council should manage demand for parking. The emphasis should be on educating people about trade-offs: For example, free, unrestricted parking in areas of high demand will mean that people cannot find a car-park when they really need it. Alternatively, deciding to forgo revenue from parking will mean higher rates and increased road congestion. Identifying consultation triggers, rather than consulting on every change, will provide RDC with greater freedom to manage parking on a day-to-day level in ways that support strategic objectives.

We note that such a policy may have implications for RDC's fees and charges policy, as well as the annual plan and long term council community plan. The development of a performance-based parking policy is essential to efficient parking management, both now and in the future.

In summary based on the review of CBD parking occupancy survey and off-street investigations, it is recommended that RDC:

- Conduct regular monitoring of parking patterns and demand to make informed parking management decisions and assess their effectiveness.
- Introduce priced parking (or in some cases time-limits) in all areas of high demand to manage demand and ensure one in seven car parks is available. This will require the cost of parking to vary depending on the demand in each location.
- Remove existing time limits and use priced parking to manage turnover and accessibility of parking spaces. This will increase convenience to the public and will reduce enforcement costs and unnecessary circulation of traffic.
- Investigate the upgrading of payment technology to allow additional forms of payment such as notes, credit cards and mobile phones. This will increase user convenience and reduce RDC's monitoring and collection costs.

5.4 Revised Technical Standards

We recommend that the existing technical performance standards in f1.3 of Appendix F are reviewed and updated as necessary. If complied with, RDC can be satisfied that the respective activities will not result in adverse effects on Council administered transportation infrastructure.

The detail of these recommendations is provided in the technical report.

5.5 Transport Impact Assessments

We recommend that new provisions are added that specify when a Transport Impact Assessment report (TIA) is required.

We also recommend that RDC develops TIA guidance for inclusion in the District Plan, so that applicants are suitably informed as to the scope of what is required to be submitted.

The detailed aspects of these recommendations are outlined in the technical report.

5.6 Design Criteria for Quality of Off-Street Parking

We recommend that specific design criteria are incorporated into the District Plan Review to guide the design of car parking areas comprising 10 spaces or more, including buildings containing structured off-street parking facilities, whether these are dedicated parking facilities or ancillary to other activities. In summary, the introduction of provisions to control the design quality of off-street parking would ensure that such facilities are designed to a high standard in terms of their impact upon the public realm and RDC would maintain control over them, enabling the ability to decline applications that do not meet the intent of the criteria.

These controls should emphasise that parking locations need to be selected with care. Their development should not detract from intrinsic qualities, like a pedestrian-friendly environment, which define town centres as distinctive destinations. In general, off-street parking lots and

structures should not be located on the main CBD commercial streets, in the middle of clusters of shop-fronts, at peak land value intersections, or along primary pedestrian corridors. These locations disrupt continuous pedestrian flow, decreasing the potential volume of pedestrians passing in front of businesses. It is always preferable to place parking facilities behind main street commercial buildings, along streets with less commercial activity that run parallel or perpendicular to the main street, or at the edges of the city centre.

Good design helps parking facilities integrate with the surrounding built form and contribute to a sense of place. At grade parking lots should include ample landscaping outside to provide an attractive visual buffer, and within the lot itself to create an aesthetic appeal at the point of transition from driver to pedestrian. Parking structures should incorporate shop-fronts at street-level to avoid an unsightly blank wall or open side featuring parked cars on the streetscape, which would contribute a 'dead zone'. Before any parking facility is constructed, its relationship to and impact on the pedestrian experience, traffic flow, downtown aesthetics and preservation, activity patterns, density, and sense of place should all be carefully examined and planned for comprehensively.

The recommendation to develop controls on the quality of off-street parking is a high priority, which should be implemented as part of the District Plan Review.

We recommended that the following points should have design guidelines associated with them, clearly indicating what is expected of developments and these should include illustrations. They could also be incorporated within a wider suite of design criteria applicable to other buildings to avoid unnecessary duplication of provisions:

- Active frontages
- Architectural qualities
- Vehicle access
- Adaptability

5.7 Transport Management Association

We suggest that a Transport Management Association (TMA) is established to coordinate transport and parking related services in the Rotorua CBD. The objectives of the TMA are to manage access to parking resources; engage and educate stakeholders; promote travel demand management; and possibly help administer parking revenues, with the collective aim of contributing to more sustainable transport outcomes. Public acceptance of parking reforms (and their subsequent willingness-to-pay for parking) will be closely linked to how parking revenues are used. As much as practicable, parking revenues should be reinvested directly into the communities from which it is raised. The establishment of a TMA should provide an appropriate vehicle through which parking revenues can be funnelled back into the community possibly under the auspices of a hypothecated fund that focuses on improving access and amenity.

The actions identified in this plan represent a paradigm shift; they reject "predict and provide" type planning practices and instead embrace more market-oriented measures. The Council, however, will play an important role in facilitating the emergence of a market for parking, both

through how it manages the supply of and demand for public parking and also through the establishment of the TMA. Indeed, many services provided by a TMA involve coordination of the private sector to avoid instances of market failure, which might arise from a lack of information. Parking brokerage services, for example, will connect businesses with parking shortfalls to those with surplus parking – allowing both parties to benefit where they might otherwise not.

Reactions to the need for a paradigm shift will vary across stakeholders, such as landowners, developers, real estate agents, transport professionals, businesses, and residents. Education is important to help them understand and benefit from the recommended actions. Again the TMA may provide an opportunity to engage with and educate the community on parking issues, rather than passively responding to cultural expectations for abundant, low-cost parking. The recommendation to support parking management services through a TMA is a relatively low priority, but we expect will become increasingly viable over the next 5-10 years.

Membership of a TMA is often a mix of public and private stakeholders, such as main street business associations. As an example Rotorua City Focus would be an obvious choice as a public sector stakeholder. TMAs attempt to address many of the cultural and/or organisational barriers to more sustainable transport (including parking) outcomes. TMAs are often self-funding through the membership and service fees that they generate, although they may also be funded through a targeted rate.

Services that the TMA could provide include:

- *Community outreach and education* – The TMA could disseminate information on the new parking paradigm to community stakeholders, including property developers, business owners, landowners, transport professionals, and real estate agents. This information should signal that Rotorua District Council is reforming off-street parking policies to encourage a market for parking to emerge. The Council's role as regulator will reduce, while the TMA assumes the mantle of coordinating transportation related services. Education is likely to have long term and wide ranging benefits by enabling the community to manage parking resources more efficiently. Effectively communicated strategies may even be taken up and applied outside of the CBD.
- *Parking Brokerage Services* – The TMA could help act as a “broker” for off-street parking, by assisting those who need parking connect with those people who have surplus parking. Parking brokerage services would essentially help provide information to consumers and thereby help a liquid market for parking resources to “emerge. Such services would require that the TMA maintain a register of people who own off-street parking facilities. It is essential that this register also record details of when different parking resources are available, to allow for increased sharing. In this way, for example, a resident may be able to lease a car-park after normal business hours to provide for their visitors.
- *Transport Planning Services* – TMAs can assist with transport planning services, such as travel plans, over-flow (peak) parking plans, and home-delivery. Many of these services can only be effectively delivered in medium to large organisations, where economies of scale lower unit costs and provide more opportunities for coordination. The TMA could rectify this issue by providing transport planning services for groups of small businesses,

thereby helping them to split costs and increase scale. The TMA could also manage access to services such as bicycle hire, shower, and locker facilities.

- *Allocation of parking revenues* – The TMA can liaise with local businesses and the wider community to gather and process feedback on the allocation of funds from increased RDC parking revenues and report this to the relevant Council committee responsible for spending revenues on relevant projects in the areas from which they are collected.

5.8 Investigate the Development of Off-street Public Parking in Rotorua CBD

It is important to track parking supply and understand when an increase is necessary and how to fund it. It is also important that a transition away from publicly acceptable means of financing parking occurs to produce better results. However this transition is low priority, primarily because parking demand in Rotorua is not expected to justify the development of further structured off-street parking facilities within the next five to ten years. Eventually, however, as the levels of commercial and residential activity increase in the CBD, more structured off-street public parking is desirable and inevitable. With this in mind ten sites (location shown below) within the Rotorua CBD were assessed based on criteria determined by experts in the fields of planning, transport engineering, civil engineering, and urban design with regard to their suitability for public parking buildings. The three top ranked sites resulting from this exercise were:



1. Site 5 – Rotorua Central Mall;
2. Site 3 – Huapapa Street South;
3. Site 1 – Arawa and Fenton Street.

In the case of those sites already within RDC's ownership, it is important for RDC to future proof the long term possible need for additional off-street public parking facilities and that the optimum sites are not sold or developed to preclude such options without a comprehensive examination.

6. Conclusions / Recommendations

This project has identified a suite of recommendations for making a step-change in the way that parking is managed in the Rotorua District, and particularly in Rotorua's CBD. Current parking management practices, especially minimum parking requirements, are based on outdated assumptions. As a result, they are inefficient and expensive and greatly undermine economic, social, and environmental performance.

Moving forward first requires a clear understanding of the essential role that parking plays in the transport system. Moreover, not only is parking essential, but it is also expensive. It is not efficient to persist with policies that shield vehicle users from the costs of parking by instead rolling them into the costs of development.

The need for a change in strategic direction for parking is recognised by regional and local documents. This project evaluated three packages of parking policies in terms of how they aligned, or otherwise, with general best practice parking principles, local objectives, and regional policies. The recommended package involves removing all minimum parking requirements in the CBD via the new provisions of the District Plan Review and managing the ensuing demand using amended time-limits and prices.

Also recommended are amendments to the technical standards for parking and turning spaces and the introduction of guidance for when Transport Impact Assessments are required. Furthermore it is recommended that the Council assume greater control over the quality of design of off-street parking areas and buildings, whether dedicated or ancillary.

Parking is an emotional issue; implementation of the recommended strategy will need to be carefully managed to ensure the public are exposed to the trade-offs associated with providing parking. Put simply, there is no such thing as free parking; the choice is either paying for it directly, based on how much we use, or indirectly, through higher prices for goods and services. Paying directly is almost always more efficient.

This project also assessed the potential to develop structured parking on generally suitable public and private landholdings in the CBD should it be needed in the long term. Ten sites were evaluated and ranked in terms of their planning, engineering, transport and urban design constraints and opportunities. The Rotorua Central Mall and sites on Haupapa Street South, and the corner of Arawa/Fenton Street are considered to be most suitable for accommodating structured parking facilities. A combination of development contributions, council funds, targeted rates, and user-charges could be used to fund such a facility.

While there are clear opportunities for removal or re-alignment of parking along Tutanekai Street to improve the public realm, it is important to understand what the implications of removing parking and restricting access along this and other CBD roads may have on vehicle circulation and parking. This analysis is beyond the scope of this study but further detailed analysis is recommended to consider the strategic intent of this action and to ensure the volumes of pedestrian traffic are high enough to justify such an approach and to keep these streets alive, safe and well.

Ultimately, this project recognises that successful urban centres depend on having access to a well-managed parking supply. The way we have provided parking in the past is, however, inefficient and expensive. There is a need for a paradigm shift in the way we approach parking issues. This report suggests a first step in moving away from our current reliance on “predict and provide” regulatory responses to a “performance based” approach to parking management.

This should ensure that the right amount of parking is available, in the right location, and at the right price (where the ‘right price’ may be zero depending on demand and/or local circumstances). In the process, the Rotorua CBD will increasingly benefit from the economic, social, and environmental benefits that are associated with a well-managed parking supply. It is important to emphasise that the removal of all District Plan parking minimums within the CBD must not be undertaken in isolation but should only be implemented as a package, with the (performance based) parking management reforms (outlined in section 5.3) adopted by RDC at the same time. This will require more proactive management of public parking resources in and around the CBD than in the past.

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