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ITEM: 1
SUBJECT: CBD CIVIC CARPARK STRATEGY
AUTHOR: PROJECT MANAGER
DATE: 30 JULY 2020

EXECUTIVE SUMMARY

This is a report concerning the proposed management and operation of the council owned off-street civic car park, an integral component of the Nicholas Street – Ipswich Central redevelopment.

RECOMMENDATION/S

Varied at Ipswich Central Redevelopment Committee of 17 September 2020

- A. That the report on the CBD Civic Carpark Strategy dated 30 July 2020 be received and the contents noted**
- B. That a councillor workshop be held to discuss the operations and pricing structure of the civic car park to ensure it optimises its function in activating the Nicholas Street precinct.**
- C. That the attachment titled Infrastructure Strategy Report be redacted with the commercial in confidence information and then made available to the public.**

RELATED PARTIES

Ranbury Management Group - Program Management Partner
Ranbury Property Services – Retail Leasing Agent
CK Consulting – Car Park Consultant
Councillor Fechner may have a potential conflict of interest in relation to this matter.
Councillor Madsen may have a potential conflict of interest in relation to this matter.

ADVANCE IPSWICH THEME

Strengthening our local economy and building prosperity

PURPOSE OF REPORT/BACKGROUND

The purpose of this report is to discuss the proposed management and operations of the council owned, off-street civic car park formally known as the Ipswich Mall Carpark. The car park forms an integral component of the Nicholas Street redevelopment and is a key

component in the successful activation of the refurbished CBD precinct. The 994 bay car park sits under the civic plaza, has six levels, is accessed via entrances at B3 and B5 from Bremer Street with vehicles able to only exit westbound onto Bremer Street from B5.

Currently no endorsed strategic plan for the car park exists. The civic plaza and library opening in late November 2020 together with the likely third quarter 2021 opening of council's administration building and the retail precinct will place new demands on the car park and its operations will require council to have in place a sound management and operational plan supported by an effective and efficient car park operator.

As the CBD project team did not hold the prerequisite skills, a parking consultant (CK Consulting) was engaged to provide technical advice on car park design, management and associated technology solutions (refer Attachment 3 for associated pricing report). The project team also sought advice from Council's Infrastructure Strategy team (IS) (refer Attachment 2 for associated report). While CK Consulting's report reflects earlier IS feedback, there remains minor positional differences between the respective reports which are discussed below.

A key factor in the success of the CBD's redevelopment is to ensure that future car park users have a positive parking experience when visiting the precinct. Given this, council has commenced improvements to the council owned infrastructure (e.g. boom gates). A recent investment of ~\$100,000 will improve the infrastructure and better utilise the functionality of the existing 'Skidata' system to improve operational efficiency and customer outcomes. The improvements include a new exit boom-gate at B1 with a credit card reader (enabling exit eastward onto Bremer Street via the concrete ramp), credit card readers to both existing B5 exit boom-gates and the relocation of existing pay machines in accordance with the new lift layout.

To ensure the car park can successfully support the activation and commercial success of a revitalised CBD precinct, there are a number of other key factors to be considered. On business days, activation of the precinct will in part be dependent on availability and high vehicle turnover of bays for short to medium term parkers - achieved through a pricing structure. Achieving the right balance carries a degree of complexity due to the various pricing options available nearby and their sensitivities against the commercial returns available to council from longer or all-day stays (whose levels can be set from time to time).

The issue for resolution is whether the car park's future purpose is to drive precinct activation, operate as a commercial car park (profitable as an outright asset) or exist with dual operational goals (activation and commercially viable). To effect this, consideration needs to be given to the hours of the car park's future operation together with timing and the duration of pricing tariffs (including space available for early bird option and contract parkers). These settings will need to move as the precinct develops and matures over the next 24 months. An initial setting similar to the current scheme is recommended with options to adjust in line with future changes in demand.

Civic Carpark Pricing

The current fee structure was designed to encourage short to medium stay users and discourage commuter parking. The schedule below includes an early bird price for longer stay users entering before 8:30am and a monthly, concessional rate for 'contract' parkers. Council also has an existing commercial arrangement with SEQ Water for the provision of 200 daily spaces on business days for company and staff vehicles. This arrangement ends on 28 February 2021 with SEQ Water advising of their intention to seek a new agreement after that date.

Existing Fee Schedule

Length of Stay	Current Price
0-3 hours	Free
3-4 hours	\$3
4-5 hours	\$5
5-6 hours	\$9
6-7 hours	\$16
7+ hours	\$25
Daily max	\$25
Early bird (before 8:30 am)	\$8
Monthly	\$100

CK Consulting highlighted three distinct user groups:

- transient casual parkers - shopping, library visits, event attendance (shorter term);
- retail staff and workers (all day – early bird); and
- contracted users including SEQ Water (all day - business hours allocation).

Parking pricing needs to support the overarching objective of CBD renewal and activation by encouraging visitations and ensuring turnover (by transient casual parkers) - it does this by utilising a pricing structure which encourages stays of less than 3 hours with free parking and incrementally stepping up fees for longer stays. It is IS's position that pricing should be reviewed as part of the city wide on-street and off-street review in line with the *City of Ipswich Parking Pricing Strategy*, as such recommending that off-street parking supplies should be priced at a moderate proportion (70-80%) to the price of adjacent on-street priced parking. This should reduce the attractiveness of on-street parking and assists with reduced traffic congestion, vehicle circulation and greater availability of on-street parking. It is proposed that the car park will charge for parking Monday to Friday to 5:00pm and retain free parking weekdays after 5:00pm and on the weekends.

The IS recommendations on price and timing (refer Attachment 2 - Table 4 and 5) differ marginally from CK Consulting (refer Attachment 3 – page 2 Rate Table Options) who proposed multiple general rates for adjustment based on the measured business hours occupancy levels and review semi-annually.

In line with negotiations with the key anchor tenant, a car parking agreement has been prepared which largely relates to the right of patrons to utilise council's car park. The agreement will also require council to have in effect a validation (discount) system allowing an extension of the free parking to five hours. A ticket validation system may also be a pre-

requisite for other significantly sized entertainment based tenants. These effectively reduce the revenue collected from visitors by the car park system.

The main sources of revenue will therefore continue to come from early-bird and monthly contract parkers, with the pricing for transient casual parkers set to deter all day parking.

Hours of Operation (Tariff Application)

The car park's current operating hours (Monday to Sunday) are from 5:30am to 10:00pm. In line with council's recent endorsement of a six month trial to remove time restrictions and priced parking on Saturdays, IS recommend the civic car park's hours of operation for which the adopted pricing tariff will apply will be as follows.

- Monday to Friday 7:30am to 5:00pm
- Monday to Friday after 5:00pm and Saturday/Sunday – free, no charge

It is noted that CK Consulting also recommended for consideration that week day charging from 6:00am to 12:00am be a future option should demand require a control during those hours, effectively keeping the rate structure continuing all day. Further the introduction of weekend and event rates was recommended for consideration once demand returns. CK Consulting noted that undercover car parking is a premium as is the location and is different to parking on-street as there is a cost to operate the car park and additional fees do need to be collected to upkeep the community's asset.

Once the retail precinct is opened, a review of opening hours for the car park will need to be undertaken to cater for the potential later closing times of some of the food and beverage and entertainment tenancies.

Requirement for a new Parking Operator Contract

Council operates the car park through a contract with Point Parking. The five year contract transferred from Ipswich City Properties to council and expired in April 2020. An endorsed Tender Consideration Plan provided for a month by month extension to 31 December 2020 to allow council sufficient time to procure an operator. The associated procurement process has commenced with council seeking to engage an operator on a proposed 1+1+1 contract, which will provide council with flexibility regarding its future decision making in regards to this asset as its activation develops.

Pricing and car park hours of operation will remain in the control of council, this will ensure associated future changes to both pricing and hours are managed in alignment with the *City of Ipswich Parking Pricing Strategy (2020)*.

Other Matters

The management model will need to give consideration to a small number of grandfathered car park agreements where Ipswich City Properties had provided local businesses and their staff with free car park access.

Council owns vacant land at 4 Ellenborough Street (refer Attachment 1), purchased from Queensland Rail as the future site for an Ipswich Performing Arts Centre (IPAC). Council has no short to medium term plans for this land. The potential exists for this site to provide a temporary car park solution (potential yield in excess of 100 spaces), acting as an overflow area to cater for additional demand over the existing civic car park for major CBD activation

events. Associated council approvals and site remediation works would be required to achieve this outcome.

LEGAL/POLICY BASIS

Over the years, council has adopted several strategic planning documents that need to be considered as part of the decision making on the management framework for the civic car park.

1. *iGO – City of Ipswich Transport Plan (2016)*

- Aggregates a number aspects from the *Ipswich Parking Strategy (2011)* and the *Ipswich CBD Commuter Parking Master Plan (2014)*;
- Outlines the new ‘parking paradigm’ for parking management across Ipswich, recommending council undertakes a ‘demand management’ approach rather than a traditional ‘demand satisfaction’ approach to parking management; and
- This essentially means that council should look to better utilise existing parking supply as an alternative to providing more.

2. *City of Ipswich Parking Pricing Strategy (2020)*

- Provides guidance on parking management decision making, including changes to pricing and time-restrictions across the city; and
- Provides recommendations on the appropriate pricing level of council owned and operated on-street and off-street parking areas (including the civic car park).

RISK MANAGEMENT IMPLICATIONS

Negative user experiences with the CBD car park may impact both return visits and community perceptions of the refurbished precinct as a future or repeat destination. Proposed and existing improvements to the car park’s infrastructure, aesthetics and lighting together with an acceptable tariff structure will result in an overall improved user experience.

FINANCIAL/RESOURCE IMPLICATIONS

All aspects of the car park’s refurbishment are being managed within the approved budget for the CBD Redevelopment Program. Funding of the contract to manage daily operations of the car park will be sourced from the precinct’s recurrent operations and management budget.

As indicated above, there are competitive tensions in the tariff setting agenda for the car park’s operation - an asset to activate the precinct versus a commercial car park asset within the precinct.

COMMUNITY AND OTHER CONSULTATION

Detailed consultation has occurred with IS and CK Consulting. No community consultation has occurred in relation to the preparation of this report.

CONCLUSION

The car park is a critical component to allow council to successfully activate the refurbished CBD precinct. Given the sensitivities and complexity around the establishment of a pricing structure, it is recommended that a councillor workshop be held to establish an effective operational model that will ensure the asset performs optimally in its agreed role for the Nicholas Street precinct.

ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Ellenborough Street Aerial Photograph
	CONFIDENTIAL
2.	Infrastructure Strategy Report
3.	CK Consulting Report

Greg Thomas
PROJECT MANAGER

I concur with the recommendations contained in this report.

Sean Madigan
GENERAL MANAGER - COORDINATION AND PERFORMANCE

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