# **Parking Overlay**

August 2023



# This practice note provides guidance to councils about the preparation and application of the Parking Overlay.

**Clause 52.06 - Car parking:** sets out standard State planning scheme requirements about the number and design of car parking spaces.

**Clause 45.09 - Parking overlay:** enables councils to respond to local car parking issues and can be used to outline local variations to the standard requirements in clause 52.06. These variations can apply to the entire municipality or a smaller precinct. Local variations to clause 52.06 can only be introduced using the Parking Overlay and accompanying schedule. A local policy cannot be used to apply variations.

A range of tools are available to councils to manage car parking, including the clause 52.06 (Car Parking) and clause 45.09 (Parking Overlay) planning provisions as well as other mechanisms, such as:

- parking permits for residents, workers and visitors
- management of public and private parking (for example, through time restrictions or fines)
- special rate charges a requirement for landowners to pay towards the provision of new spaces
- shared car parking requirements.

# **Applying a Parking Overlay**

The Parking Overlay's function is to manage car parking in a precinct, rather than site-by-site basis. It can be used for any precinct where local parking issues are identified, and a common strategy can be adopted to respond to them.

Several physical, social and economic indicators may suggest the need to address car parking issues in a precinct, including where a precinct:

- is undergoing a rapid rate of development or land use change
- attracts significant numbers of trips from elsewhere
- experiences high levels of traffic congestion
- has an established parking provision deficit and experiences physical or market conditions that affect the future provision of car parking
- experiences consistently lower or higher than average car parking demand.





A Parking Overlay implements a car parking plan in a statutory form. The Parking Overlay should be as brief as possible and must be consistent with the Parking Overlay template set out in <u>Ministerial Direction - The Form and Content of Planning Schemes</u>.

Where a Parking Overlay is applied, the schedule to the overlay must specify car parking objectives. The schedule may also specify other matters such as:

- the number of car parking spaces to be provided for any use
- financial contributions (or cash-in-lieu payment scheme) to be made as a way of meeting car parking requirements where appropriate
- application requirements
- design requirements
- decision guidelines.

More information about drafting a Parking Overlay schedule is provided below. Appendix 1 of this practice note provides an example schedule.

### Permit requirement

Clause 45.09-3 provides for a schedule to vary permit requirements, including:

- requiring a permit for any matters that are exempted under clause 52.06-3
- disallowing a reduction or dispensation of a car parking requirement under clause 52.06-5 or the Parking Overlay
- disallowing the provision of car parking spaces required under clause 52.06-5 or the Parking Overlay on another site
- disallowing the grant of a permit to provide more than the maximum parking provision specified in a schedule to the Parking Overlay
- exempting a requirement for a permit under clause 52.06-3.

### Number of car parking spaces

A schedule to the Parking Overlay can be used to vary the standard number of car parking spaces required under clause 52.06. Specifically, it can be used to:

- 1. vary the car parking rate and measure for any use listed in Table 1 of clause 52.06-5
- 2. specify car parking requirements for any use not listed in Table 1 of clause 52.06-5
- 3. specify maximum and minimum car parking requirements for any use
- 4. apply Table 1 column B rates to any use listed in the table to clause 52.06-5.

The schedule should only be used to reduce the standard number of car parking spaces specified in Table 1 of clause 52.06-5, unless there is an overwhelming strategic reason to increase these rates.

Where possible, the land use terms defined in clause 73.03 of the planning scheme should be used.



## **Financial contributions**

A schedule to the Parking Overlay can also be used to require financial contributions (or cashin-lieu payment scheme) to be paid in place of providing car parking spaces required in clause 52.06 or the Parking Overlay schedule. Any requirement for a financial contribution needs to be justified and should address the core principles of need, nexus, accountability and equity in the strategic assessment of the proposal before it is introduced.

- Need is the cash-in-lieu payment scheme needed?
- **Nexus** is there a direct link between the types of proposals affected by the payment scheme and the infrastructure provision?
- Accountability what are the financial arrangements? How will the payment scheme be monitored and reviewed?
- **Equity** is the payment scheme fair in terms of who is and isn't required to pay? Would another method of collecting funds be more appropriate?

A requirement for financial contributions must:

- relate to a use (or change in use) of land or development of land
- identify the project for which the contributions must be used by the council
- designate the area to which it applies
- be financially proportionate to the statutory right for which they are exchanged. Councils can only require a payment for car parking that reflects the cost of providing a car parking space
- identify a proper planning purpose (consistent with section 4 objectives of the *Planning and Environment Act 1987*) to be funded by the contribution. A project that provides car parking facilities for which there is a demonstrable demand or implements other measures that reduce the demand for parking (such as bike parking facilities) would be regarded as a proper planning purpose.

The schedule may also include an expiry provision for the overlay where the financial contributions have been collected.

Payments should be made into a dedicated 'car parking and access fund' established for the project by the council. The fund should only be used for the purposes identified in the schedule.

To secure financial contributions in accordance with a Parking Overlay, a condition should be included on the relevant permit.

### Design standards for car parking

A schedule to the Parking Overlay may specify additional design standards to those in clause 52.06-9 and other requirements for the design and management of car parking.

### Decision guidelines and information requirements

A schedule to the Parking Overlay may also set out:

• decision guidelines that the responsible authority should have regard to in exercising its parking or other related discretions. These include considerations for assessing whether to



allow fewer spaces to be provided than the number required for a use. These decision guidelines should not duplicate those at clause 52.06-10

• additional matters that must be shown on a car parking plan prepared under clause 52.06-8.

### **Background documents**

Where a parking study, strategy or plan provides relevant background information to assist in understanding the schedule, the document may be referenced in the Parking Overlay schedule and in the schedule to clause 72.08 of the planning scheme.

# Preparing a car parking plan

Before a Parking Overlay is implemented, a car parking assessment is undertaken to identify the car parking needs and issues for an area. This usually takes the form of a car parking plan. The plan sets out the car parking objectives and strategies; and includes a supply and demand review. It also includes a review of relevant social, economic and environmental considerations.

The relationship between a car parking plan, the Parking Overlay and other implementation mechanisms is illustrated in Diagram 1.

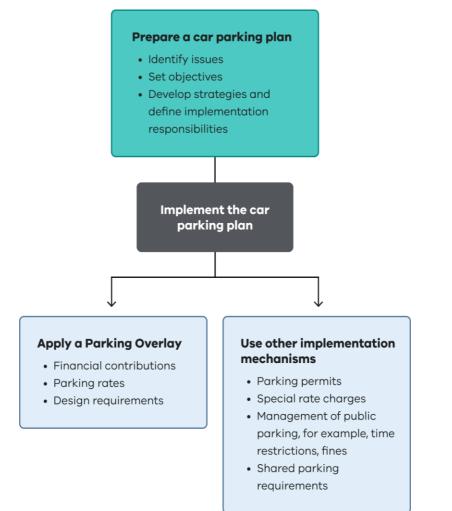


Diagram 1 - Preparing and implementing a parking plan



Car parking plans are generally required to justify variations in parking rates or other requirements in a Parking Overlay. An exception is where a planning authority seeks only to activate the Column B rates. In this situation a council may rely on other strategic work, such as a structure plan or previous parking surveys, to support the designation of areas to apply the lower rates.

A car parking plan may consider parking as part of an environmental, transport or economic development strategy or urban design framework for a precinct. It may also consider more detailed issues such as the relationship between car parking, pedestrian movements, loading and unloading of vehicles and internal traffic circulation in large sites.

It can form a background document to the Parking Overlay it supports. This avoids the need to include bulky background material in a planning scheme.

A car parking plan must include the following content:

- the objectives of the plan
- the area to which the plan applies
- findings from research and surveys that provide factual material to support the plan
- an assessment of car parking demand and supply
- car parking strategies proposed to facilitate the plan's objectives
- any locational, financial, design or other actions necessary to implement the objectives and strategies.

The guidance set out in the six steps below is intended to identify a typical path toward preparing a car parking plan that would underpin a Parking Overlay. However, the guidance is only indicative. The needs of a particular area may necessitate a different process. Council should determine the best-fit process for the area being investigated.

# The six-step process

- 1. Identify the survey area and likely issues
- 2. Establish a multi-disciplinary team and a reference group
- 3. Survey existing conditions and users
- 4. Identify the final precinct and analyse the precinct's car parking issues
- 5. Define the objectives and develop strategies
- 6. Define implementation responsibilities.

### Step 1: Identify the survey area and likely issues

It is important to initially identify the likely car parking issues for an area as a basis to commence the preparation of a car parking plan. Later work may refine or change the initial assessment; however, it is valuable to start from a 'hypothesis' that can be tested.



When identifying the likely issues ask:

- what is the strategic context? what is the car parking plans relationship to other relevant policies and provisions?
- what are the planning, transport or parking issues that the plan seeks to resolve?
- what have site inspections revealed?
- do council's complaint records uncover specific issues or identify priority concerns?
- is there any anecdotal information about car parking issues?

A survey will provide data on which to base the car parking plan. Before starting survey work, council should identify the survey area which should comprise land affected by the identified issues. It may need to be larger than the anticipated area, especially where there may be 'spill-over' effects.

### Step 2: Establish a multi-disciplinary team and a reference group

Given the social, economic and environmental outcomes of traffic and car parking, the preparation of a car parking plan will benefit from a multi-disciplinary team that includes traffic engineers and land use planners. For a larger strategy or more specialised precinct, the team may also include people with social planning/social research, urban design and economics expertise. Considerations such as the impact of parking on a heritage precinct, vegetation or landscape interests can also warrant the inclusion of additional professional advisers in the team.

Council should also consider appointing a reference group comprising of representatives from resident, community and business groups to assist in the preparation of the car parking plan. The list of survey information to be gathered could be tested against the reference group's knowledge of local conditions to ensure that all relevant factors are considered.

To successfully implement a Parking Overlay the objectives need to be widely understandable and, where possible, supported by the community it affects. By involving stakeholders in key decisions as the car parking plan is developed, will increase the likelihood of support when the Parking Overlay is exhibited as a planning scheme amendment.

# Step 3: Survey existing conditions and users

To help inform the car parking plan and ultimate implementation measures, surveys are performed to gather relevant data. The data collected should build a picture of the existing conditions and user profile of the study area. This information can help predict the likely future parking and transport conditions and needs for the area, including any relevant social, economic and environmental effects.

Where available, past research and survey information should also be used. Some data may already be available from past surveys and reviews carried out by developers or by the council for other purposes.



Surveys should consider the catchment area for the land uses present or likely to be present, travel options to the precinct and the profile of precinct users, including their behaviour, needs and expectations around parking and transport.

A survey should record all forms of parking that are available within it, including off and on street provision, public and private provision, and provision that is both free and charged to the user. While the car parking plan does not have to record the precise location and type of every parking space, it should show the general availability of parking in the precinct, and the numbers of spaces of each type that are available. The survey could quantify, record and map:

- the number of parking spaces
- the general location of parking spaces
- ownership or management
- restrictions on use (for example, access, time or cost)
- enforcement data.

Significant patterns of parking provision should be mapped, for example, by showing streets with on-street provision and significant off-street parking. An understanding of the existing parking supply and demand over time is likely to be important. This should consider fluctuations in a normal day due to work, retail or entertainment patterns. In some areas, other issues (such as the seasonal impact of tourism or the impact of sporting or cultural events) may need to be considered. Trends may also need to be identified, for example, where the area contains land uses that are likely to grow in size or attractiveness.

### DATA REQUIRMENTS

In addition to establishing the study area's existing car parking provision, consider the following matters when determining other information needed to understand the existing conditions and users of the study area:

### Time-based observations:

- the turnover of car parking spaces
- the number and location of spaces used at any time
- the flow of cars in and out of car parking areas.

### Travel and car parking user survey:

- accessibility needs
- trip origin and destination(s)
- mode(s) of travel
- reasons for visiting the precinct
- frequency of visiting the precinct
- time spent in the precinct and at each destination or attraction
- time spent in each parking space
- travel and parking preferences
- sensitivity to change
- whether parking factors enhance or reduce the attractiveness of the area.

### Land use survey:

- identify and map existing and approved land uses
- determine critical parking demand indicators (for example, relationships between numbers of users or customers over time and retail or office floor areas, restaurant seats or hours of operation)
- identify sites that need to be protected from the adverse impacts of parking (for example, heritage places and public open space)
- identify sites that represent parking opportunities.

# **Availability of alternative modes of transport:** (from relevant catchment areas)

- the existence of public transport routes and patronage
- taxi and rideshare use and patronage
- bike and pedestrian access.



# Step 4: Identify the final precinct and analyse the car parking issues

Once information has been collected through relevant research, survey work and input from the multi-disciplinary team and reference group, the information can be analysed to define the final precinct and to test initial assumptions on the issues hypothesised in Step 1.

The final precinct will normally be a single area, however, it needs to encompass all the places where remedial measures are needed and could comprise more than one area.

An analysis of the research and survey data is critical to test assumptions as it will either validate or challenge earlier assumptions, including those assumptions made about the likely issues. The process may also generate the need to seek further information.

### Step 5: Define the objectives and develop strategies

A car parking plan should have an objective that responds to each of the identified car parking issues. Council may have several ways to respond to an issue – an objective is council's preferred outcome.

Strategies are put in place to respond to an objective, but they need to be more directive, specifically instructing how an objective will be achieved.

Strategies can include measures that manage parking demand, limit the growth of parking supply, aim to reduce private vehicle use or support public and active modes of transport.

Relevant strategies may include:

- introducing parking supply targets
- promoting desired or preferred parking locations
- enhanced parking layouts, urban and landscape design, street furniture and materials
- methods to deliver parking demand management or car use reduction
- parking fees and other parking management tools
- detailed proposals for applying financial measures, such as special rate or cash-in-lieu of parking contributions.

Strategies can consist of measures intended to be implemented using the planning scheme's Parking Overlay as well as other mechanisms such as:

- parking management through time restrictions or fees
- special rate charges for the provision of new spaces
- shared car parking requirements
- permits for residents, workers and visitors.

The parking measures and rates set out in Table 1 of clause 52.06 represent general industry standards for car parking. These rates can be changed to respond to the needs of a local area. Where alternative rates are considered necessary for a precinct, the car parking plan will need to identify and substantiate these rates based on the local conditions.



### **Example – Gumnut retail and fashion precinct**

If an objective of a car parking plan is to encourage public transport use by visitors to the Gumnut retail and fashion precinct, then relevant parking strategies may be that:

- parking provision in Gumnut Road will be limited to short stay, disabled and loading provision
- the pedestrian amenity and streetscape of Gumnut Road will be enhanced through the removal of existing parking areas
- public car parks will be provided at Yellowville tram intersection, Orange Junction and Blue Gum Heights train stations
- a public 'park and ride' bus service from major parking locations and surrounding residential areas to Gumnut Road will be provided and funded
- permit only parking will be provided in the residential areas north of the retail area
- a cash-in-lieu scheme will be introduced for new or expanded businesses in Gumnut Road to pay for a new 30 space car park on the corner of Gumnut Road and Wattle Place.

### **Step 6: Define implementation responsibilities**

For each strategy, a car parking plan should set out who is responsible for its implementation and delivery. A statement of implementation actions should be set out for each strategy.

For each strategy define:

- any detailed actions necessary to implement it
- where it applies, with reference to a map or plan if required
- the agency to be responsible for its delivery
- the anticipated timing of its delivery, particularly if the overall car parking plan is required to be implemented in phases
- any other relevant financial and resource statements. These may be necessary to make the operation of a cash-in-lieu scheme transparent.

### Monitoring and review

The characteristics of a precinct often change over time, affecting local parking conditions. It is important that a Parking Overlay is regularly monitored and reviewed to ensure it continues to reflect the precinct's actual parking needs and is consistent with future plans for the precinct.

It is recommended that any schedule to the Parking Overlay is reviewed as part of a planning scheme review under section 12B of the *Planning and Environment Act 1987*.

If the Parking Overlay is meeting its objectives, the review process should be straightforward. However, where a Parking Overlay is not meeting its objectives, or new issues have arisen for the precinct, it may be necessary to revise the Parking Overlay.

Records of financial contributions associated with the Parking Overlay must be kept and monitored on a regular basis to prevent the over-collection of funds. An expiry/ending mechanism should also be included in the schedule to prompt the removal of a financial contributions provision once the funding has been fully collected.



### Appendix 1: Example of a completed schedule

GUMNUT PLANNING SCHEME SCHEDULE 1 TO THE PARKING OVERLAY Shown on the planning scheme map as PO1. **CENTRAL GUMNUT ACTIVITY AREA** 1.0 Parking objectives to be achieved To encourage retail and other commercial activities within Central Gumnut to reinforce its role as the major retail and service centre within the Shire. To ensure that new retail development, especially supermarkets, provide adequate and convenient car parking. To provide for the collection of financial contributions to contribute to the construction of shared car parking facilities. To ensure car park accessways allow for the safe movement of pedestrians. To ensure car parking areas are designed to comply with safety, sustainability and urban design considerations. 2.0 **Permit requirement** A permit must not be granted under Clause 52.06-3 to reduce the number of car parking spaces required for a Shop. 3.0 Number of car parking spaces required If a use is specified in the Table below, the number of car parking spaces required for the use is calculated by multiplying the accompanying Rate by the Measure. Table 1: Car parking spaces USE RATE MEASURE Shop (other than Shop exceeding 1000 square 2.5 Car spaces to each 100 sq m of metres of leasable floor area at ground floor level, leasable floor area Restricted retail premises and Supermarket). Shop exceeding 1000 square metres of leasable 3 Car spaces to each 100 sq m of floor area at ground floor level (other than leasable floor area Restricted retail premises and Supermarket). Restricted retail premises 2 Car spaces to each 100 sq m of leasable floor area

For any other use listed in Table 1 of Clause 52.06-5, the number of car parking spaces required for the use is calculated by using the Rate in Column B of Table 1 in Clause 52.06-5.

### 4.0 Application requirements and decision guidelines for permit applications

None specified



### GUMNUT PLANNING SCHEME

### 5.0 Financial contribution requirement

Within the precinct identified in this schedule, the responsible authority may, at its election, accept a financial contribution of \$20,000 per space (plus GST) in lieu of providing physical car parking spaces as required under clause 45.09 and/or clause 52.06 of the planning scheme.

It is within the responsible authority's absolute discretion whether to accept a financial contribution in accordance with this clause 5.0 (and if so, in respect of how many spaces).

The amount of the contribution per space specified above will be adjusted by the responsible authority annually on 1 July each year in accordance with the Construction Industries Producer Price Index - General Construction Industry (or, if that index is unavailable, an equivalent index to the satisfaction of the responsible authority).

If, in respect of the use or development of land in the precinct, the responsible authority elects under this clause 5.0 to accept a financial contribution in lieu of one or more car parking spaces being provided, the contribution must be paid to the responsible authority:

- in full prior to the commencement of any use or development of the land in respect of which the car parking requirement applies; or
- as otherwise required by:
  - any condition of the relevant permit for the use or development of the land; or
  - any condition of a permit issued under clause 45.09 or under clause 52.06 of the planning scheme; or
  - any agreement entered into under section 173 of the *Planning and Environment Act 1987* in respect of the land.

The responsible authority must spend any financial contributions collected by it under this clause 5.0 on the construction of a public car park at 1 Stringybark Street, Central Gumnut.

### 6.0 Requirements for a car parking plan

None specified

### 7.0 Design standards for car parking

Car parking must be designed to retain significant trees and promote tree planting and the shading of car spaces.

### 8.0 Decision guidelines for car parking plans

None specified

### 9.0 Background document

Central Gumnut Parking Study (Gumnut Shire Council), 2023.



 $\circledast$  The State of Victoria - Department of Transport and Planning, August 2023

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