

Wellington Chamber of Commerce Submission to Wellington City Council on the six proposed changes to parking and parking fees TR 90-19, TR 91-19, TR 92-19, TR 93-19, TR 94-19, TR 95-19

May 2019

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I am writing this submission: on behalf of an organisation: Yes

Name of organisation: Wellington Chamber of Commerce

The Chamber has been the voice of business in the Wellington region for 163 years since 1856 and advocates policies that reflect the interests of the business community in the city and region and further the development of the region's economy as a whole.

Traffic Resolution reference numbers:

- TR 90-19 Oriental Parade (Freyberg Pool), P240 Metered Parking
- TR 91-19 CBD, Increase Coupon Parking
- TR 92-19 Cuba Street, P120
- TR 93-19 CBD City Fringe, Increase in Metered Parking
- TR 94-19 CBD, Increase in Metered Parking
- TR 95-19 Residents parking Zone, Increased Residents Permits

Comments:

The Chamber writes to **support** all six of these proposed traffic resolutions that will:

- Introduce limited free parking for Freyberg Pool users and Gym members to two hours per day, but with an additional two hours available at the hourly rate of \$2.50. TR90-19 P240 Oriental Parade (Freyberg Pool and Fitness Carpark)
- Increase the cost of Coupon Parking, including suburban trade coupons (Monday to Friday) from \$8.50 to \$12, per day. The monthly rate would move from \$135 to \$200. TR91-19 Increase in Coupon Parking in CBD
- Change the 60-minute free parking zone in upper Cuba St to 120 minutes metered parking. *TR92-19 P120 Metered Parking on Cuba Street*
- Change the cost of metered parking on the city fringe from \$1.50 to \$2.50 per hour, seven days a week. *TR93-19 Increase in Metered Parking on City Fringe*
- Increase the cost of metered parking (Monday to Friday) from \$3 to \$3.50 per hour and \$4 to \$4.50 per hour. *TR94-19 Increase in Metered Parking in Central Wellington*
- Increase the cost of Resident and Coupon Exemption Parking Permits. *TR95-19 Increase in Residential and Coupon Exemption Permits*

By way of comment, the Chamber shares the concern that is set out in the introductory overview text, that "increasingly, parks are being permanently removed to allow for the provision of walkways, cycleways and priority bus lanes," but do not share the view that follows this statement, that this "make[s] it easier to travel around the city, and contribute to our goal of making the city more accessible." The Chamber finds that this is not only odd given the city's current transport infrastructure challenges but highlights a broader concern of the Chamber and its members. Parking in the CBD has been an issue for some time, the lack of availability has only been compounded with the loss of major car parking buildings due to the earthquakes. Chamber members regularly voice their concern to us through our quarterly business confidence surveys, feedback such as "the significant loss of parking facilities, is making the city a very unfriendly place to meet in." Regular meetings held with Council, of CBD retailers and hospitality representatives, regularly canvas this as a growing unresolved issue and a turn-off for customer attraction. The Mayor's own Wellington Summit report lists "transport and parking as a challenge."

In short, the Chamber will repeat our previously stated position, we will not support the removal of any more carparks until the Council has a CBD-wide strategy to mitigate the concerns and also takes satisfactory steps to address the current parking shortage. To this end we believe that the Council needs to urgently undertake a stocktake of car parking and put in place a CBD-wide strategy with urgency. Given the parking technology Council has in place we believe Council is in a strong position to undertake this review with smart data modelling and solutions.

We would also like to understand the other comment made in the introductory text, that "While the number of available parking spaces is reducing, demand for parking and the costs of maintaining the service continues to increase." Given the information provided in the supporting documentation is fairly limited, we would like to better understand what is driving these costs, what these costs are, and how the increased pricing models proposed will go in some way to cover this expenditure. We would hope that such data has been considered as part of these policy changes to consider how often the car parks are used and the general demand there is for parking in the affected zones, and how these changes and increases will impact this. Again, we strongly urge Council to come around to the view that a broader parking review is required, if not overdue.

We support the Council's position, that people who use the parking spaces should contribute more towards the overall cost of providing on street parking. The Chamber would point out that goods and services of a largely private good nature (such as public carparks) should ideally be principally paid for by users. On the other hand, goods that clearly meet the definition of public goods are generally best funded by ratepayers, if they benefit a region, or by central government (taxpayers), where they constitute a national public good (e.g. national defence systems). The distinctive features of public goods are first, non-payers cannot easily be excluded from receiving the benefit others pay for (that is, public goods are susceptible to free riding) and second, one person's consumption does not reduce others' consumption opportunities. These are known as the non-excludability and non-rivalry characteristics of public goods. Public carparks, by contrast, are still largely in the nature of a private good and users can be charged for using them.

As a general economic principle, individuals and companies should bear the full costs associated with their behaviour (i.e. costs should be internalised) or individuals will overconsume resources if they can shift costs on to third parties. Management of car parking is no different in this respect. In order for individuals to make rational decisions about carpark use, they should ideally bear the costs (and benefits) associated with specific use options.

There is no doubt there are limited city parks, in part a result of traffic resolution changes and earthquake damage, but it is clear that there is demand and need to ensure better turnover. Paid parking helps ensure there is fair turn-around of spaces

In summary, the Chamber supports the Council's proposal through the draft 2019/20 Annual Plan to increase a range of on-street parking charges, and supports the view that this will better reflect the overall costs and better manage parking demand across the city.