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## **Perth's Parking Policy: Managing Parking as an Element of the Urban Transport System**

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### **Abstract**

The City of Perth is the commercial, institutional and cultural centre of the Perth Metropolitan Region, Western Australia. The region has a population of 1.3million people and 800,000 motor vehicles. The State Government has invested heavily in providing the road and rail infrastructure required to ensure that access to the City of Perth is efficient for business and other purposes. As a result, the City of Perth is well served by a well developed regional road system and a public transport system based on high speed, high capacity electrified suburban passenger rail services and extensive radial bus services.

The effectiveness of these investments has been compromised by rapid growth in parking, particularly for commuters working in the City of Perth. In the mid-1990s there were two parking spaces for every three persons employed there, and road congestion and air quality were becoming increasing concerns to residents and businesses in Perth.

The Perth Parking Policy was developed to provide the State Government with strategic influence on the development and use of parking in the City of Perth. Elements of the Policy include controlling the types and amount of parking that can be provided, requiring parking bays to be licensed by the Minister for Transport and collecting a licence fee which is used to improve local access within Perth in order to reduce car circulation within Perth.

This paper describes the intent, development and implementation.

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### **Introduction**

The Perth Metropolitan Region has about 1.3 million residents within an area of about 5382 square kilometres. The commercial, governmental and cultural heart of this region is the City of Perth's central business district (CBD). This small area of 8.2 square kilometres contains 18 % of the region's employment (96,000 jobs) and is home to approximately 4000 residents. The CBD is a key centre for many of the Region's and more broadly, of Western Australia's political, tourist, educational and socio-cultural activities. The area contains the headquarters and principle place of business for many companies, government organisations and institutions.

The population of the Perth Metropolitan Region has grown by over 325% since 1955. During the same period the land use planning philosophy has been characterized by segregated land uses and low urban settlement densities (average of 12 people per hectare). Increasing car ownership (now 679 motor vehicles per 1000 people) and decreasing public transport use have accompanied these changes and developments. At present there is a high reliance on the motor vehicle to provide the necessary links between home, work, shopping, recreation and education. While there are still no serious instances of congestion or air pollution, there has been a growing recognition that "continuing and expanding the current transport system will not meet the Region's long term requirements." (MTS, 1995, p6)

### **Strategic Transport Directions for the Perth Metropolitan Region**

In 1995 the Western Australian State Government released a Metropolitan Transport Strategy which set new directions for developing the Perth Metropolitan Region's transport system to 2029. The major elements of the Metropolitan Transport Strategy (MTS) include:

1. altering the existing focus on moving vehicles to moving people, goods and services,
2. moving towards integrated and multi modal transport planning and transport system development and management, and
3. achieving mutually supportive land use and transport system development and management.

The MTS is based on six principles: safety, efficiency, effectiveness, environmental responsibility, social responsibility and robustness. Quantitative targets are set for each principle, including regional modal split, trip length and vehicle occupancy targets.

Implementation of the MTS has been driven through modal strategies, such as the Perth Bicycle Strategy, Getting Out and Getting There (for people with mobility limitations), and the 10 year Public Transport Plan, and by integrated transport strategies for Perth CBD and other major destinations such as universities and hospitals.

The major strategic transport objectives for the Perth CBD is to ensure access from across the regions and shift existing low occupancy car commuter access to public transport, cycling and walking

### **Access to Central Perth**

The Perth CBD lies at the confluence of the Region's major highway and secondary road system. Cross region road traffic mixes with traffic destined for CBD, as both have to use the road system and bridges which serve and pass directly through the City.

Current access to the central City of Perth area is strongly car-oriented. During the morning peak commute about 65% of city centre workers arrive by car and about 35% use "green modes" - public transport, walking and bicycle. During the peak period, 90% of cars entering the city carry only the driver.

To support this pattern of central city access, development of parking was for many years promoted. As a result there are over 60,000 non-residential car parking bays in the central city area. Of these approximately 47,000 bays are for all-day use by workers commuting by car to the city. About 75% (34,500 bays) of all-day parking is tenant parking provided by the owners of buildings; the remaining 25% (12,500) is public, fee-paying parking. This represents about one bay for every 2-city workers, one of the highest rates of parking provision in the world. Access for those who come for short periods to shop, transact business, and engage in the variety of social and cultural activities the area offers is made possible by 13,000 short stay bays located on and off street.

### **Historical Management of Parking in Central Perth**

Parking in Central Perth has for many years been managed as a critical element of the regional transport infrastructure.

During the 1950s the City of Perth and the State Government established a parking management system based on a 'predict and provide' philosophy. This approach encouraged the private development of tenant and public parking facilities, authorized the City of Perth to regulate on-street parking, operate public car parks in competition with the private sector, and required the City to expend all profits from parking revenues and fines on expanding its public parking facilities.

### **City of Perth's Role in Managing Parking**

Control of parking provision within the City of Perth is currently split between the State Government and the City of Perth

Under current planning and parking legislation, the City of Perth has control over all planning and building approvals. To guide itself and property owners the City developed a "Central Area Parking Policy", most recently revised in the mid/late 1980's. The Policy,

which is restricted to the very centre of the City, sets recommended maximums for parking numbers on a per hectare basis and identifies parts of the central city where preference in access and usage of city streets is to be given to pedestrians. The Policy also recognises access by car is important to the central city. It therefore specifies that public long term parking (commuter parking) be located outside of the central core of the CBD and encourages public short stay parking as close as practicable to the central shopping/commercial area.

While the Policy has been produced to guide developers, City officials and elected Councillors, City Council has on a number of occasions approved individual property developments with levels of parking provision well beyond that which the Policy would support.

For areas surrounding the CBD, the City's "Town Planning Scheme" requires property owners to provide certain minimum amounts of parking.

Complementing its town planning and building controls, the City of Perth has certain statutory powers provided to it by the State Government via legislation passed by the State Parliament, the "City of Perth Parking Facilities Act, 1956". A product of its time, this Act's aim is to encourage private motor car access to the central City through large scale public parking provision throughout the CBD. It empowers the City of Perth to own and operate public parking facilities and to license and control private-sector public parking facilities. The City has become both a provider of public parking and a regulator of parking supply via its planning and the licensing powers.

A key element of the legislation is that the City of Perth must reinvest any profits from its parking operations back into parking related facilities or activities. This has led the City to acquire property and develop a number of large parking facilities across the central city offering both commuter and short stay visitor parking. The City has become the predominate provider of off street public parking in Central Perth.

The Act, however, does not give the City complete control of parking. Approval of the State Government's Minister for Transport is required to authorise many micro-management actions by the City of Perth such as the variations in the location of individual on-street parking spaces.

Since the 1950's the City of Perth has adopted a pro-parking stance with regards to the supply of tenant parking by building owners and developers. High levels of on-site tenant parking for commercial developments has been encouraged. In a number of instances exemptions to the recommended central area maximums have been granted to encourage particular developments.

#### State Government's Role in Managing Parking

Since the 1950's the State Government's implicit policy position has been to promote parking in Central Perth.

The State Government, with the agreement of the City of Perth, introduced specific legislation, the "City of Perth Parking Facilities Act, 1956", to give certain powers and authority to the City in regards to the management of on-street parking and the development and running of public off-street parking facilities by the City.<sup>1</sup> The State Government has at various times amended this legislation to facilitate the City's operational needs or revenue collection. The Act whilst empowering the City to establish and run public parking facilities also allows the State Government's Minister for Transport to micro-manage the City parking operation and activities. For example the change of one on street parking space from a 15 to 30 minute maximum period has to be explicitly approved by the Minister.

The State Government in its role as a large owner, user, and in some cases, developer of CBD property and associated tenant parking, has on occasions adopted stances on development proposals similar to private sector developers having narrow commercial interests.

Somewhat paradoxically, the State Government has not had strategic influence over parking supply within the City of Perth, while it has had control over much of the minutiae of daily parking management. Therefore, the State Government has had little influence over a major determinant of the level of car and public transport use and consequent road congestion, air quality, urban amenity and public transport efficiency within the central city area. Given the economic and socio-cultural value of the City of Perth within the Region, this inability to manage a key factor influencing the City's pattern of access has been an important weakness in the State's control over the use of the regional transport system.

The State Government does, however, have strategic influence over the provision of road infrastructure and public transport infrastructure and services, which bring people and goods into and out of the City of Perth and move them around the central area. To meet its responsibilities in these matters, the State Government has in the past 10 years invested over \$1 billion dollars in road and public transport infrastructure which specifically service the City of Perth. Plans have been announced which will result in a further expenditure of \$1.5 billion to improve road and public transport infrastructure and services to and from the CBD. The object of all these investments is to promote good access to and from the City, while minimising road traffic within the city.

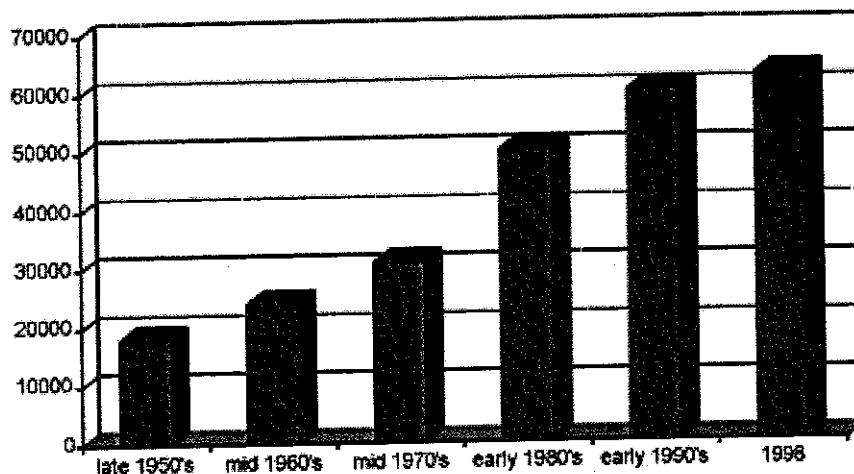
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<sup>1</sup> This Act is unique in Western Australia as it is the only piece of legislation dealing with specifically with parking. Parking in other local government areas is managed via general local law making powers held by local government bodies.

### Growth of Parking Supply

The planning, legislative and development approach adopted by the City of Perth and State Government over the last 40 years has been pro-parking. Parking spaces available in the central City of Perth area have grown at a steady rate from 18,000 in the mid 1950's to 62250 in 1998, an increase of 350% over 40 years

Number of Parking Spaces within Perth Parking Management Area



At recent trends parking in Central Perth would double in twenty to thirty years, to approximately 120,000 parking spaces. Such a level of parking could not be supported by the regional road system serving the City during the peak commute. In addition, this level of car use would limit the effectiveness of the Region's public transport system

### Cost of Parking

Central city parking for commuters is cheap. Long stay (all day) public parking is typically \$5 but may be as low as \$2.50. Parking bays for the tenants of prestige office/commercial complexes currently lease for \$300 to \$400 per month and for substantially less in less prestigious buildings on the margins of the CBD. It is possible to lease a parking space in some fringe areas for \$60 per month.

Short stay parking on street is typically 60 cents to \$2.00 per hour, depending on the location, whilst off street parking is available in the range of \$1 to \$2 per hour.

The provision of 47,000 long stay off street parking spaces has required a considerable public and private investment capital and use of a considerable amount of space. Construction cost (excluding land cost) for parking spaces range from \$1000 - \$1500 per space for public surface level car parks, \$10,000 per space for tenant parking when incorporated into the structure of a commercial office building up to \$15,000-\$20,000 per space in a purpose built public parking structure

### Changing perceptions

Attitudes to car dependency and parking have evolved over the last 40 years.

Policy formulators and community decision makers in the 1950's and 60's could not have appreciated the impacts that promoting private car access and large scale parking provision would have on central Perth

Traffic growth and its adverse impacts are now emerging as a major threat to the ongoing success of Central Perth. Some of the very things that have contributed to Central Perth's attractiveness, such as the ease of vehicle access and cheapness and availability of parking are already starting to degrade Central Perth's economic success in the longer.

State and City decision-makers, the public and private sector stakeholders have recognised that excess vehicle movement within the City can affect:

- the quality, character and amenity of the city for the people who live, use or visit the city;
- accessibility within/around the central area arising from traffic congestion on access roads, city streets and entrances to parking facilities;
- the efficiency, effectiveness and financial performance of public transport; and;
- the air quality and physical environment of the city.

For Central Perth to remain a vital and successful city centre the positive aspects of the car – speed, convenience, comfort and directness of travel – must be capitalised on and the negative impact of the car must be successfully managed

The State Government has spent almost \$500 million on a major road bypass to reduce vehicle traffic through the City and in collaboration with the City of Perth has implemented a major change to the traffic flow patterns within the central city area to reduce these impacts. Whilst acting to meet actual and perceived needs access needs the State Government and the City have parking as the single most effective local tool to manage and limit traffic

### **New Approach to Parking**

In the early 1990's the State Government asked the Department of Transport to develop a comprehensive policy response that placed parking provision and use within the broad context of an integrated transport system response to the need of the Region's population to access the central City of Perth. This process culminated in 1998 when the State Government and the City of Perth jointly adopted "Perth Parking Policy". The Policy sets out a joint approach by the State Government and the City of Perth to the development and management of parking within the central city and immediately contiguous area defined as the "Perth Parking Management Area".

The philosophical basis for the Policy is travel demand management and strategic infrastructure investment. It effectively changes the approach to parking provision and management in the City of Perth from the previous predict and provide model to a model in which the establishment and use of parking is determined within the context of the Regional transport strategy's desired outcomes: modal shift, increased car occupancy rates and limiting social and environmental impacts.

The main elements of the Policy are

1. Integration of parking with the rest of the transport system;
2. Framework for assessing parking supply proposals
3. Car access balanced with other transport modes
4. Pedestrian priority & Zoning of public parking
5. New maximum tenant parking limits
6. Licensing and licence fee for non-residential parking
7. New role for the City of Perth
8. Strategic role for the State Government
9. Review and Amendment process

#### Integration of Parking into the "Transport System"

For the first time parking will be integrated with the broader planning and infrastructure provision for the city and its general access needs and the Regional transport system. The Policy aims to support a balanced transport system for accessing the city. Specifically it seeks to:

- Ensure the continued economic vitality of the City of Perth
- Improve accessibility to and within the city for all users
- Improve the air quality and the physical environment of the city
- Keep the impacts of vehicular traffic within acceptable limits
- Encourage the efficient use of parking facilities in the policy area



#### Framework for Consistent Assessment

The Policy provides the State Government and City of Perth with a common framework for assessing new parking developments that integrates the potential impacts of individual parking facilities into the broader context of transport and planning objectives for the central city.

Consideration of development proposals that involve the provision of parking in isolation from the broader context will cease. Instead there will be comprehensive and consistent criteria for dealing with proposals either to redevelop or upgrade existing facilities, or provide new facilities. The Policy contains flexibility to allow the approval of proposals that seek tenant parking allowances above the indicated desirable level. The Policy allows these requests to be considered within a logical and common framework for evaluating community benefits developers may offer to provide when seeking tenant parking allowances above the desirable levels established by the Policy.

#### Car Access balanced with other modes

The Policy recognises that the motor vehicle, particularly the private car, will for the foreseeable future be the predominate means of access to the central City, particularly for short term visitors – shoppers, those transacting business, users of recreational and cultural facilities. The Policy seeks to balance this requirement with the preservation and enhancement of the environment of the city. By limiting the growth of tenant car parking the Policy promotes public transport use where feasible.

#### Pedestrian priority and Zoning of public parking

Through its provisions relating to tenant parking allowances, the Policy will promote priority for pedestrians in the heart of the CBD. Surrounding the pedestrian heart the emphasis will be on the provision of short term parking. New public long term car parks will be located outside of the central area.

#### New maximum tenant parking limits

'Desirable' and 'Maximum' number of bays per hectare for tenant parking will be imposed. The amount of tenant parking that can be provided will depend on the category of the street from which access is taken and the type of vehicle access to the parking facility. The general principle is that allowances are lower where access has greater detrimental impact on pedestrian movement.

The new levels of tenant parking are set at a lower level than has been the case in the past. It is expected that over time this will slow the rate of growth of tenant parking provision.

#### Licensing and licence fees for non-residential parking

To give effect to the Policy's objects the State Government and City of Perth have agreed that the State Government will license and impose a tax on all non-residential parking in the Perth Parking Management Area. This is an alteration and extension of an existing licensing and licence fee requirement imposed since the early 1980s by the City of Perth on itself and private-sector public off-street parking. The City has used the levy on public off-street parking to fund its cost sharing arrangement with the State Government for the provision of free public transport within the central City area.

The extension of the licensing and fee payment requirement to tenant parking spaces will provide a secure financial basis for free public transport within the Perth Parking Management Area and, by removal of the anomalous situation of taxing one form of off-long term parking and not the other, achieve a degree of equity.

New legislation provides that whilst the funds raised must be spent within the boundaries of the area from which raised, this money can be spent on a variety of purposes that give effect to the thrust of the Policy – improved access to and within the central City. For example improving public transport access from across the Region to the central city, enhancing the City's pedestrian environment, and supporting bicycle access. In short initiatives which promote a balanced transport system for the central city.

#### City of Perth freed from constraints

The "City of Perth Parking Facilities Act, 1956" will be repealed. The City of Perth will assume full responsibility for the management of its own facilities and the State Government will lose its day-to-day influence on the City's micro-management of parking.

The City will continue to be the regulator of on street parking, an operator of off street public parking and retains the planning and building approval authority for parking facilities. However, it will no longer be a regulator and licensor of other providers of public parking. The Policy will thus place the City of Perth' parking operation in a competitively neutral position with private sector providers of public parking. It will also enable the City to use its parking revenues for any purpose it determines.

#### State Government takes a strategic role in parking management

The State Government now has via its licensing powers acquired the ability to manage the supply and use of parking and achieved a strategic influence over parking supply within the CBD. The State Government will thus influence a major determinant of the level of car and public transport use and consequent road congestion, air quality, urban amenity and public transport efficiency within the central city area. It will further be able to manage a key factor influencing the form and function of the City and the development of the regional transport system.

The Policy removes the State Government from involvement with day-to-day micro-management parking matters in the City leaving the City of Perth fully responsible for such detailed matters.

#### Review and Amendment process

The legislation specifies that the Perth Parking Policy may be amended from time to time by the Minister for Transport following consultation with the Ministers for Planning and Environment and the City of Perth. It is intended that the Policy will be reviewed after five years.

#### Implementation

##### State Government & City of Perth joint endorsement

In 1997 the State Government and the City of Perth reached agreement on the Policy. The City of Perth sought and received State Government assurance that the funds raised would only be spent within the boundaries of the Perth Parking Management area and that the City would be consulted by the State on how these monies were allocated. These principles were incorporated into new legislation. There was also agreement that there would be an exemption for small business operators, defined as those with less than 5 parking spaces on their property, from the licence fee but not from planning controls and licensing requirement.

##### Translation of the Policy into plain English

Transforming the intent of the broad policy into a workable system useable by, and accessible to, public servants, elected councillors, Ministers of the Crown, private developers and parking facility operators and property owners was the next step. This required that the original policy discussion document be simplified and the principles expressed in suitable language and format. This was accomplished through the services of a planning and local government expert.

##### Preparation of legislation

State Cabinet instructed the Department of Transport to prepare the necessary legislation and develop the licensing system. The first part in this process was the preparation of three draft bills. The main bill sets up the structure to give effect to the Policy through a licensing system which requires property owners to license parking. The second bill allows the revenue raising elements of the Policy to occur and the third bill to repeal or modifies preexisting legislation, in particular the "City of Perth Parking Act". This process took over year and involved input from the City of Perth, with the Bills going through numerous revisions.

The legislation was designed to create an open and flexible framework to build the licensing system and to allow the policy to be refined and developed through time without the need to revise legislation on a regular basis. The legislation creates a general power to license non-residential parking within a defined area. The bulk of the detail in relation to the licensing system is contained in regulations rather than the legislation.

The three Acts were proclaimed on 16 July 1999. This legislation had attracted support from all parties within Parliament.

State Revenue Department was contracted by Transport to develop a licensing system that allows approximately 63,000 on and off-street parking spaces on 4000 properties owned by about 2000 owners within a defined 8.25 square kilometre area to be licensed and a license fee collected where a liability exists. As the approach in the Perth Parking Policy was based on integrating town planning, transport and access policy, revenue collection and expenditure the outcomes sought from such a licensing system were quite different from other parking license systems which tend to be revenue orientated.

#### Concerns of property owners and parking facility operators

Owners of property and parking facilities expressed concerns about the Policy, in particular the proposal to extend the license requirement to non-residential tenant parking and impose an annual license fee.

The Property Council and Chamber of Commerce had identified a number of concerns with the practical implementation of the Policy and sought clarification of these matters via direct representations to the Premier, Minister and other Cabinet members and to members of Parliament. These concerns can be summarised as follows:

1. Rights of Inspectors - Concern was expressed that the powers and authority of inspectors contained in the legislation was excessive as no public safety or health risk or urgency existed to justify the ability to enter property and demand records.
2. Powers of the CEO - There was concern of capricious changes to licence conditions after a facility was developed.
3. Ability to lease commercial tenant parking to tenants of other buildings - there was concern that the new policy would prevent the leasing of parking to tenants of other buildings. The current City of Perth parking policy allows this, the new Policy will also permit this if the City gives a specific permission.
4. Lack of evidence of "Planning Approval" - For many properties there is no or only incomplete information about the "correct" planning approval for the property.
5. Short term parking management - Parking industry representatives advised that there was an increasing trend for some city workers to use short term parking as if it was long-term parking, regardless of the cost. Concerns were expressed that Transport would apply a punitive approach to owners and operators and penalise them.

6. Common fee for all categories of parking - Concerned was expressed that the State Government might at some stage create a licence fee structure that would impose different license fees on different types of parking, in particular discriminate against commercial tenant parking by imposing a higher licence fee.
7. License fee insufficient to cut car usage - The Policy and legislation were criticised as insufficient to cut car usage. Concern was expressed that the licence fee would be introduced at a low level and later raised to a much higher level (as in Sydney) using the excuse that it would cut car usage in the central city.
8. Stopping desirable developments in the City - Forcing new commercial office tenants out of the City to regional centres such as like Joondalup was raised as a likely outcome of the Policy and the licence fee.

Discussions between the Department of Transport and the Property Council and other parking and development interests resulted in the Transport forming a working group to facilitate the implementation of the licensing system. The working group included representatives of the City of Perth's planning and parking management areas, State Revenue, Transport officers and representatives of the Chamber of Commerce and the Property Council. The focus was on the design of the license system, its implementation and the education of owners and parking facility operators.

#### Introduction of the new Policy and licensing requirements

Liability for licensing and licence fees commenced from 16 July 1999. To ease the transition from the previous planning and parking licensing system, owners will have until 1 January 2000 to submit their initial licence application. In subsequent years owners will need to renew licences at the start of each financial year.

Tenant parking limits for new developments will be introduced in stages across the Perth Parking Management Area. In the central city area they will be effective immediately, West Perth 12 months after the proclamation of the Acts and in the East Perth Redevelopment Area when this area returns to the control of the City of Perth in 2001. This staged introduction of the planning elements is to allow property owners in West Perth to adjust to the substantially changed approach to parking, from a requirement to provide a minimum to maximum limits whereas in the central city the previous planning approach has been to set maximums albeit at higher levels than the new Policy imposes.

### **Conclusion**

The City of Perth's CBD has a crucial economic, commercial, political, tourism, educational and socio-cultural role in Western Australia.

Transport activities related to the Central City have parallel influence in establishing a sustainable transport system within the State's main residential and industrial region, the Perth Metropolitan Region.

It is therefore essential that transport activity to, from and within the City of Perth's CBD is efficient in terms of infrastructure use, energy use, externalities and other factors.

Transport planning within the Perth Metropolitan Region has historically been based on a predict and provide approach. This approach would have created an ongoing expansion in the supply of parking that ultimately would have exceeded the ability of the road system to cope at peak demand times. The Metropolitan Transport Strategy has moved the transport planning approach adopted for the Perth Metropolitan Region to demand management. It was realised that in the CBD, parking is a key element in the transport system that influences transport mode choice between car travel and the green modes of public transport, cycling and walking.

The Perth Parking Policy, and the supporting legislation and licensing system through which the Policy is implemented, provide the basis for moving parking management and use in Perth from a model which would otherwise have been unsustainable.

The Policy sets out a joint approach by the State Government and the City of Perth to the development and management of parking within the CBD.

The Policy recognises that the motor vehicle, particularly the private car will, for the foreseeable future be the predominate means of access to the central City area, particularly for short term visitors – shoppers, those transacting business, users of recreational and cultural facilities. The Policy seeks to balance this requirement with the preservation and enhancement of the environment of the city.

For the first time parking will be integrated with the broader planning and infrastructure provision for the city and its general access needs.

### **Reference**

*Metropolitan Transport Strategy* (1995). Government of Western Australia, Perth