

1.2 UPDATE ON PARKING PRECINCT PLANS FOR GLEN WAVERLEY AND OAKLEIGH ACTIVITY CENTRES

(SM:)

Responsible Director: Peter Panagakos

RECOMMENDATION

That Council:

1. *Notes the decision of the Minister for Planning to refuse to approve Amendment C103 and refuse to authorise the exhibition of Amendment C133 which proposed the introduction of new parking overlays for the Glen Waverley and Oakleigh Activity Centres.*
2. *Resolve to cease accepting cash in lieu financial contributions under the existing parking overlays contained in the Monash Planning Scheme as the overlays are considered fully subscribed.*
3. *Notes that as the overlays are fully subscribed future permit applications will be required to provide car parking in accordance with the parking rates set out in the parking overlays of the Monash Planning Scheme.*
4. *Notes that the Minister for Planning has indicated that the existing Parking Overlays in Glen Waverley and Oakleigh will be removed at some time in the future.*
5. *Notes when the parking overlays are removed parking provision will be assessed individually and may be reduced or waived without a financial contribution until a new parking overlay is introduced.*
6. *Notes that officers are currently in discussion with representatives from the Department of Environment Land Water & Planning for the preparation of revised parking contribution for the Glen Waverley and Oakleigh Activity Centres.*
7. *Writes to owners and occupiers in the Glen Waverley and Oakleigh Parking Overlay areas to advise them of the Ministers decision and the cessation of the cash in lieu option under the current parking overlays.*
8. *Notes that a further report will be presented to Council upon completion of the review of revised planning parking contribution schemes.*

PURPOSE OF THIS REPORT

This purpose of this report is to update Council on the decision of the Minister for Planning to refuse to approve the introduction of new parking overlays to the Glen Waverley and Oakleigh Activity Centres and to advise on the process for the development of new parking contribution schemes that would provide an option for cash in lieu payment for car parking spaces required for non-residential development the Glen Waverley and Oakleigh Activity Centres.

BACKGROUND

Council has consistently demonstrated a long term commitment to the provision of an appropriate level of accessible and safe car parking to serve the two major activity centres of Glen Waverley and Oakleigh.

These parking contributions have directly assisted in the provision of centralised parking facilities in the activity centres, including Bogong Avenue, Euneva Avenue, Glen Waverley and Atkinson Street, Oakleigh.

The recent approval by the Minister of the Glen Waverley Structure Plan and Sustainable Transport Plan and Amendment C120 set out a clear vision and direction for the future growth of the Centre. Critical to that growth is the provision of an appropriate number of well located and safe and consolidated parking facilities and significant improvements to the physical environment of Kingsway.

Attachment 1 sets out the most recent amendment history for parking overlays in the two activity centres.

ISSUES AND DISCUSSION

Glen Waverley - PPP 3- Amendment C103 – Adopted 2013

This amendment proposed the introduction a new Parking Precinct Plan (PPP No. 3) to replace PPP 2, for the Glen Waverley Activity Centre. This amendment was exhibited in early 2013, adopted by Council in March 2013 and submitted to the Minister for Planning for approval. The amendment was subsequently put on hold whilst the Glen Waverley Structure Plan and Sustainable Transport Plan were finalised and adopted by Council.

PPP No. 3 provided for the construction of a minimum of 400 spaces in the area west of Kings Way and south of Coleman Parade. The cash in lieu contributions are currently collected at a rate of \$20,000 (excl. GST) per space required by the planning scheme (plus indexation).

Although not approved, given the length of time since the Amendment was adopted by Council sufficient payments have been made or development approvals issued for this parking precinct plan to be fully subscribed and considered complete.

Approval of the amendment was refused by the Minister for Planning in December 2017.

Proposed New Car Parking Precinct Plans

Key areas of the Glen Waverley and Oakleigh activity centres have development potential but have limited ability to provide car parking on site. It would also be undesirable for the traffic and pedestrian movement of these centres to have additional car parking established in an ad hoc manner around the centre.

As part of the strategic approach to the growth of the Glen Waverley and Oakleigh Activity Centres it is proposed to introduce new parking precinct plans to provide for additional car parking in consolidated multi deck locations and the ability for Council to accept cash in lieu contribution for any car parking requirements that are not provided on-site. These contributions would be put towards the construction of the additional multi deck parking facilities.

This approach will allow for additional development to occur in the activity centres, making a financial contribution to additional parking and ensuring that increases in parking supply occur in a planned way, boosting the overall accessibility of the centres.

To provide for the construction of new multi deck parking facilities a cash in lieu contribution scheme was proposed through a new amendment, C133, to the Monash Planning Scheme to introduce two new Parking Precinct Plans for Glen Waverley and Oakleigh.

Authorisation to prepare and exhibit Amendment C133 was sought in early August 2017.

The Minister for Planning refused to authorise the exhibition of the Amendment in December 2017.

Issues raised by the Minister

In refusing to either approve Amendment C103 or authorise C133 the Minister set out three areas of concern.

Permit requirement and discretion to reduce parking rates

The Ministers letter expressed concern about the overlays requiring a fixed number of parking spaces for each type of use and not allowing developers to apply for a reduction on a case by case basis.

Officer comment

The parking overlay specifically allows for the setting of a fixed rate of parking provision in a parking precinct area. The example provided in the State Governments Planning Practice Note for Parking Overlays includes a provision which does not allow for a reduction in parking rates. The proposed parking overlays included a similar provision to the State Government example and one that has operated successfully in parking overlay in Monash for many years.

The Structure Plan for each centre provides the strategic basis for the parking rates and the location of centralised publically available car parking. As noted earlier in the report, the Minister has recently approved the Glen Waverley Activity Centre Structure Plan and Sustainable Transport Plan which are now Reference documents in the Monash Planning Scheme. These documents set out a clear strategic basis for central multiuse parking areas and the parking rates required to ensure an adequate level of parking is maintained across the Centre.

Officers are currently seeking quotes for a review of the transport and parking sections of the Glen Waverley and Oakleigh Structure Plans. This will assist in clarify to the Department of Planning the rationale behind the precinct provision of car parking.

In order to adequately plan, finance and deliver the car parking Council and the business community need certainty that the forecast number of spaces will be provided. To allow for discretion to reduce the parking rate below the rate set out in the overlay would undermine the purpose of the overlay, be inequitable to existing landowners and business operators and make it extremely difficult to plan for the provision of the car parks.

As the financial contribution for parking is only half of the forecast construction cost, in a practical sense the actual parking provision rate obligation is actually half of the rate specified in the planning scheme – so there is in effect a reduction of parking spaces already built into the overlay.

Officer recommendation

It is recommended that the revised parking contribution scheme retain the mandatory requirement for the calculation of parking provision. The review of the Glen Waverley and Oakleigh Structure Plans parking and transport sections will assist in confirming the appropriate parking rates.

Financial Contributions

The Ministers letter raised two issues with the financial contribution for cash in lieu parking: how the cost of the construction of the car parks was arrived at; and the ongoing collection of cash in lieu by Council under the existing parking overlay provisions of Monash Planning Scheme. The Minister indicated that an amendment to the Monash Planning Scheme would be prepared to remove the existing parking overlays.

Officer comment

The unit cost of a parking space provided in the proposed new parking overlays was based on the actual construction costs of the recently completed Atkinson Street Car Park. This project was subject to a competitive tender process and is considered to represent an accurate cost estimate for the construction of multi deck car parking in an urban activity centre.

Through the Glen Waverley Structure Plan and Amendment C103 Council has indicated a commitment to construct additional parking spaces in the Glen Waverley Activity Centre. The Amendment was adopted by Council several years ago. As an adopted Amendment it is considered a “seriously entertained” planning proposal and it is appropriate to be acted upon. Since that time Council has continued to provide the option to developers to meet any car parking obligation through the cash in lieu process established by the parking overlay. This process has been consistently applied since the earliest of the parking overlay schemes, Parking Overlay 1. The majority of these financial commitments have been met either through upfront payment of the contribution or by the land owner entering into a Section 173 Agreement to pay the contribution at a later date or via instalments.

As the existing parking overlays are considered subscribed (including through C103 for Glen Waverley) and proposed parking overlays and the Minister has refused to authorise exhibition of replacement overlays, the ability of developers to use a cash in lieu payment to meet car parking obligations is no longer available. New development will now need to provide car parking in accordance with the Monash Planning scheme. This means that unless car parking dispensations are granted any new development will need to provide additional car parking on site.

Officer recommendation

Officers will review the construction costs associated with the Atkinson Street car park and incorporate any necessary updates into the supporting information for the new parking contribution scheme.

As the car parking schemes are considered subscribed Council cease accepting cash in lieu payment for car parking in the Glen Waverley and Oakleigh Activity Centres.

COMMUNITY CONSULTATION

The introduction of new contribution schemes would undergo a community consultation in accordance with the requirements of the Planning and Environment Act 1987, including:

- Notice in the Government Gazette,
- Notice in a local newspaper circulating in the area,
- Letters to owners and occupiers of properties within the proposed Parking Overlays 1 and 2 areas (PO1 and PO2),
- Information available on Council's website and libraries.
- Community drop in sessions at Glen Waverley and Oakleigh.

The public exhibition period provides an opportunity for all interested persons and groups to make submissions about the amendment and the proposed changes to the Monash Planning Scheme.

FINANCIAL ISSUES

Council will be required to meet the statutory amendment costs associated with the any amendment process. These are costs include community consultation, statutory fees and any panel costs.

The contributions collected through the Parking Precinct Plans are intended to be used to fully fund the construction costs development of new car parking in multi-deck car parks within the respective centres. The costs do not include the cost of the land on which the parking is to be built or the cost of any additional or existing parking that is proposed to be included in the parking structures.

CONCLUSION

In order to give effect to the structure plans for Glen Waverley and Oakleigh additional car parking needs to be provided in consolidated parking facilities in a co-ordinated and planned manner in the activity centres. The introduction of new parking precinct plans will assist in achieving the parking objectives for the activity centres and ensure that new development makes a contribution to the provision of additional parking in these centres.

Officers will continue to engage with representatives from Department of Environment Land Water & Planning resolve their issues with the proposed car parking schemes.

Glen Waverley Activity Centre

Council has been committed to ensuring that an appropriate supply of car parking spaces is provided within the Glen Waverley Principal Activity Centre on a centre wide basis. To assist in this process, three Parking Precinct Plans have operated in the Activity Centre overtime and applied through the Monash Planning Scheme. The Parking Precinct Plans are set out below.

Glen Waverley - PPP 1. - Amendment C36 - 2004

Amendment C36 introduced the original Parking Precinct Plan (PPP No. 1) for the Glen Waverley Principal Activity Centre (GWPAC) into the Monash Planning Scheme (MPS) on 13 May 2004.

The purpose of the PPP was to partially fund 144 car spaces in the Bogong Avenue car park by the payment of contributions from new or expanded restaurant and other uses in the GWPAC.

Glen Waverley PPP1 was fully subscribed, completed and replaced.

Glen Waverley - PPP 2 - Amendment C80 - 2008

On 20 November 2008, Amendment C80 deleted the PPP1 introduced by Amendment C36 and introduced a new PPP - No. 2 for the Glen Waverley Activity Centre.

This precinct plan required the cash in lieu contributions to fund part of the cost of the construction of 260 car spaces within the new multi-deck car park in Euneva Avenue.

The cash in lieu contribution required was \$11,000 (excl. GST) per space (plus indexation).

Glen Waverley PPP2 was fully subscribed and completed. The Euneva Avenue car park partially funded through this parking plan has been constructed and the parking precinct plan has been subscribed and completed.

Oakleigh Major Activity Centre

Council has also been committed to ensuring that an appropriate supply of car parking spaces is provided within the Oakleigh Major Activity Centre on a centre wide basis. To assist in this process, one Parking Precinct Plan has previously been introduced into the Monash Planning Scheme.

Oakleigh - PPP 1 Amendment C60 - 2008

This amendment introduced the Oakleigh MAC Parking Precinct Plan No. 1 into the Monash Planning Scheme in 2008. The plan applied to business zoned land (except for the Oakleigh Central Shopping Centre) within the Oakleigh Major Activity Centre, north of the rail corridor and east of Warrigal Road.

PPP No. 1 was focussed on funding the development of a multi-deck car park, providing additional 195 spaces, at 2-6 Palmerston Grove and 129-133 Atkinson Street, Oakleigh.

The parking precinct plan is now subscribed and considered complete.

It should be noted that none of the previous contribution schemes recouped the full cost of construction of the parking provided. In general the schemes recouped between 17% to 48% of the construction cost of new spaces.