Parking in cities

Access to reliable parking underpins many of our everyday activities, from grocery shopping to visiting friends. For many workers in trades, construction, logistics or home services, parking is critical to doing a day's work. For others, parking at train stations is essential to completing a commute by public transport. The way we manage parking is a powerful opportunity to shape the kind of cities, centres and neighbourhoods we want.

Careful parking management can free space to make our streets more liveable and sustainable, with more space for footpaths, safe crossings, street trees, outdoor dining and bike lanes. It can encourage more people to use public transport – reducing traffic in our neighbourhoods, improving productivity on the roads, and making bus and light rail services faster and more reliable.

Parking regulations for new buildings have a strong influence on our neighbourhoods. Where they don't take account of context, parking controls can unnecessarily inflate construction costs and reduce affordability. Smarter rules can improve affordability and diversity, support sustainable outcomes, and give people choices to buy only the parking they need.

NSW GOVERNMENT

Parking and new housing

By 2060, the population of NSW is projected to reach 11 million, and Greater Sydney will need more than one million new homes. The NSW Department of Planning Industry and Environment's proposed Design and Place State Environmental Planning Policy (SEPP) is one of a number of initiatives to improve the quality of precinct design and planning, ensuring new neighbourhoods are more sustainable and better places. This proposed SEPP offers new directions for where and how much parking we build.

Flexibility for parking rules

Planning controls often require minimum numbers of parking spaces to be constructed in new housing. Parking requirements in Greater Sydney are set by local governments or, in some locations closer to public transport, by the NSW Government guidelines known as the 'Guide to Traffic Generating Development'.

As Greater Sydney grows, minimum parking requirements may need to be reviewed. Even in areas that are not well served by public transport, households typically own fewer cars than are required to be accommodated in new buildings. More parking is being supplied than is needed.

Building unnecessary parking spaces comes at a high cost – up to $70,000 for a single basement car park. Excavation pushes up costs, lengthens building time, and increases the number of spoil trucks on roads. These costs are passed on to buyers – including those who may not want or need parking. Recognising this cost, the NSW Government has capped minimum parking requirements for community housing providers, ensuring they can focus on constructing homes for people, not cars, in areas that already have good public transport. Most private development, however, remains uncapped.

Western Parkland City: a new approach

The new city under construction around Western Sydney International (Nancy-Bird Walton) Airport will be served from day one with metro services, express buses, and a walkable network of high quality streets linked to local jobs, education and parkland.

Parking rates will be set as maximums, so developers will be able to construct the parking appropriate to the needs of buyers, up to a limit.

More parking may be required in the early years of the new centre, before all services are locally available. Early supply from separated, freestanding car parks can be replaced or converted in later years to other uses.

Small apartment buildings, townhouses and terraces are the 'missing middle' of development in our cities. Their ability to blend into the character of existing neighbourhoods offers an alternative housing model to larger apartment complexes. But their viability is particularly affected by inflexible parking requirements: the appeal of terraces and townhouses can be ruined by front garages facing the street, and closely spaced driveways can make footpaths unsafe and treeless. Existing buildings often cannot be adaptively reused without major demolitions of their internal structure to provide parking. In effect, minimum rates accommodate large towers on regular sites, but hinder a diversity of small- and medium-scale projects.

Not all home buyers want or need parking spaces. Minimum parking requirements reduce the choice for those who may not need a space, including younger people, older residents who may no longer drive, or people who choose to use car sharing.

Alternatives to minimum parking requirements have been trialled in well-located housing developments across Greater Sydney. They demonstrate practical, evidence-based alternatives to existing requirements.

Setting maximums

Maximum parking rates allow home builders and other developers to provide parking where there is market demand, but do not oblige them to provide more parking than is needed.

Maximum parking rates are already used in major growth areas or centres such as parts of North Sydney and Parramatta, and the City of Sydney local government area especially in the Green Square growth area, where many residents have a limited need for a car. They will also be used in the Western Parkland City.

Accessibility-based parking

Access to convenient services, schools, jobs and public transport varies across cities and regions.

Accessibility-based parking controls consider how close a site is to good public transport in order to determine appropriate parking controls. The **'Public Transport Accessibility Level'** (PTAL) is a freely available dataset that allows detailed, accurate mapping of the availability of nearby public transport. The tool measures both the distance to public transport and its quality such as frequency during the week, on weekends and late at night.

Accessibility-based parking controls can leverage value from public investment by limiting parking around new public transport. The PTAL tool can give consent authorities and applicants highly accurate information about how upcoming transport improvements will improve access to individual sites.

Buying parking as needed

The economic burden of parking can be reduced if purchasers do not always have to buy car parking on title and instead have access to parking that is:

- Decoupled – the parking is on-site and separately titled and can be purchased either by occupants, or on the open market.
- Unbundled – the parking is on site and held in common title and can be allocated by the building owner or strata for a fee or free.
- Remote – the parking is off site and can be purchased, rented or allocated by agreement.

In a new building with decoupled parking, a young single person may choose to buy a studio and no parking space. When life circumstances change and the single person wants a parking space, they may buy or rent one from another resident such as a retiree, who no longer drives. This means households are not forced to buy parking they don't want (and may even be prevented from leasing it to others who want it) if they usually walk, cycle and use public transport instead of driving.

Because decoupling can result in more efficient use of available parking spaces, less parking is required overall.

To make it easier to offer parking spaces to those who need it, the NSW Government is considering changes to the Parking Space Levy scheme to enable parking spaces at homes to be leased without additional costs.

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How can parking controls be modernised in accessible areas?
How should parking levels be determined in different locations?

Parking in centres

Managing parking helps our cities and centres succeed. By reducing congestion, parking management means more of the street can be allocated for comfortable footpaths, street trees, outdoor dining, and other public spaces.

Light rail and bus services are faster, better patronised and more cost effective when they are not slowed by competing traffic. They also make better use of the NSW Government's unprecedented investment in light rail, metros and trains, which includes:

- Light rail now under construction in Parramatta and recently completed in Newcastle and Sydney.
- Sydney Metro Northwest is being extended in 2023 from Chatswood to Artarmon, North Sydney, Barangaroo, Sydney CBD, Waterloo, Sydenham and onwards to centres on the T3 Bankstown Line.
- Sydney Metro – Western Sydney Airport, which will link St Marys to the Western Sydney International Airport and Aerotropolis.
- Sydney Metro West, which will open by 2030 and offer a rapid link from Sydney's CBD and financial core to Parramatta and Westmead via Pyrmont and Five Dock.

Digital Smart Kerbs

New technology is making kerb space easier to find, pay for and manage.

The NSW Government's Digital Smart Kerb trial in western Sydney will use sensors to monitor vehicle parking demand, as well as footpath usage by people on foot or bicycles. It will offer real time information to drivers and freight operators about the availability of spaces and loading zones. Kerbside data will help inform decisions about when and where to allocate kerbside space between different uses such as parking, loading or bus lanes, or even outdoor dining.

'Ticketless' parking apps, such as the NSW Government's Park'n Pay, help drivers find free parking spaces, and pay for parking without coins or tickets. This technology avoids the expense and obstruction caused by ticket machines, and allows permits to be issued electronically. With lower overheads, parking authorities can apply lower hourly rates.

The NSW Parking Space Levy applies to parking spaces in some centres, and the proceeds pay for projects that improve access to centres and public transport. The levy – paid on non-residential parking spaces in Sydney, North Sydney, Bondi Junction, Chatswood, Parramatta and St Leonards – has funded thousands of new commuter parking spaces, as well as transitways, light rail, and public transport projects.

A number of major employment centres, including Macquarie Park and Norwest, are rapidly growing, and are now connected by fast metros. As employment increases, it may be appropriate to extend the Parking Space Levy to these new centres, and continue to use the funds raised for transformative public transport investments.

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How can parking levels be managed in emerging centres that have very good public transport access?

The value of street parking

On-street parking has a profound influence on our transport networks. Well managed on-street parking can encourage greater use of public transport, make more space available for walking, cycling and public transport, and reduce time searching for parking. It can also keep space available for those who really need it including tradespeople, freight delivery, taxis, people with reduced mobility and their carers.

Street parking in NSW is managed by local councils, with many smaller public authorities also managing parking in specific precincts such as parklands, university and hospital campuses, or parts of campuses or destinations. Parking is sometimes managed to prevent commuting near major trip generators (such as office centres) and to encourage turnover in front of retail premises. However, there is limited strategic direction and goals such as sustainability or demand management are not widely adopted.

Kerbside pricing

Pay parking (e.g. ticket machines or meters) encourages drivers to decrease the length of time they park. While often used to promote parking turnover in commercial areas and improve compliance, pricing may also support wider transport goals.

As a policy mechanism, pay parking can free space for public transport, cycling and walking infrastructure by encouraging drivers to increase their use of public transport, reconsider the need for a second car, and walk and cycle more often. It can accommodate surging online shopping demand by increasing access for delivery drivers to general parking, and by helping enforce the use of (free) loading zones.

Putting parking revenue to use

Oklahoma City introduced the world's first parking meter in 1935. More recently however, other cities in the United States such as Houston, San Diego and Austin have embraced the concept of Parking Benefit Districts, where income from pay parking is used to fund local improvements to business areas, shopping districts and neighbourhoods.

In Houston, parking charged at $1 to $2 per hour raises funds for footpaths, public transport, bike racks and tree planting. In some cities, improvements are constructed upfront, with revenue used to pay back construction costs.

Pricing kerbside parking is also one way to fund local services and improvements, and is widely used for this purpose in North America. Like a Parking Space Levy, paid kerbside parking in centres can effectively discourage people from driving to places with excellent public transport access, without the complexity of measures such as congestion pricing or cordon charges.

While the Parking Space Levy is used to fund projects across Greater Sydney, kerbside parking revenue is collected and retained locally. Because kerbside parking is most valuable in the Sydney CBD and metropolitan or regional centres, pay parking has the potential to exacerbate revenue disparities between local councils.

Mechanisms similar to a parking levy could be applied to kerbside parking in some central districts to redistribute some income from parking. Alternatively, if councils choose to extend pay parking and direct the funding into local improvements, the NSW Government could partner to assist in forward funding local work.

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Is there a role for Parking Benefit Districts in NSW? How could on-street parking revenue support investment in neighbourhood streets or infrastructure?

Have your say

Please provide your feedback at

haveyoursay.nsw.gov.au/future-transport

What happens to my feedback?

Thank you for sharing your views with Transport for NSW. We will consider your input and will share the draft Future Transport Strategy when it is published via the email address you provided.