

Hot Water Beach Car Parking Fees

| | |
|----------------|---|
| TO | Mercury Bay Community Board |
| FROM | Sam Marshall - Area Manager - Mercury Bay |
| DATE | 11 September 2015 |
| SUBJECT | Hot Water Beach Car Parking Fees |

1 Purpose of Report

To provide options to the Mercury Bay Community Board (the Board) regarding fees for paid parking at Hot Water Beach.

2 Background

In late 2013 the Board and Council implemented a pay and display parking system at the Hot Water Beach car park adjacent to the Hot Water Beach Store (the Shop car park). This became operational from December 2013. The paid parking system cost \$25,000 to implement in year one and generates an annual return to Council, specifically the Mercury Bay area of between \$50,000 to \$60,000 per annum.

A second stage extension of the paid parking system for the Taiwawe (Bull Paddock) car park and associated budget of \$31,000 was included in the 2015/25 Long Term Plan process. Revenue is estimated to increase by another \$32,600 with the introduction of the Taiwawe car park into the paid parking system. This should bring total revenue to approximately \$83,000 to \$93,000 per annum.

Project Objective

The objective of the pay and display system is to generate alternative income for the construction and maintenance of council infrastructure that is impacted on by tourism, within the Mercury Bay area. Alternative income essentially means income other than rates to fund this activity.

Council Funding Sources

Council essentially has four main funding sources:

- 1) Rates - The major source of Council income and charged in various forms across the district approximately 28,000 rating units. Some rates are charged across the district and others by community board area.
- 2) Development Contributions - Funds collected from developers to fund capital works that are required as a result of growth and new development in the district.
- 3) User Fees and Charges - This includes payments by individual users of specific council services, some examples include wharfage charges, boat trailer parking fees, metered drinking water, resource consent processing fees. A parking fee fits in this category.
- 4) Subsidies/Asset Sales etc. - For example income received from third parties such as the New Zealand Transport Authority to fund specific activities or via the sale of council assets.

Charging for parking at Hot Water Beach is an example of using user fees and charges rather than rates to fund Council activities.

Parking Management System and Current Fees

Fees as adopted in the 2015/25 LTP for Hot Water Beach are \$2 per hour or \$15 per eight hour day. These fees are currently being applied in the car park adjacent to the Hot Water Beach Shop. There has been no increase in the fees since they were first implemented in December 2013.

The parking payment method is via onsite, automated kiosks that will accept cash or credit cards and issue a printed parking permit in increments of one hour up to a full day of parking. The permit/ticket including the amount of time purchased is displayed on the vehicles dashboard.

Council bylaw staff monitor the car parking, surrounding areas and issue infringements as required. The Bylaws and Compliance Team Leader reports that compliance with the purchasing and displaying of paid parking tickets is very good at around 90%.

An extension of the existing paid parking system into the Taiwawe car park was consulted on and confirmed as a project for the current financial year via the 2015/25 LTP process. In the LTP consultation to the parking fee was proposed at \$2 per hour and \$15 per day.

Given the parking fee was consulted on and confirmed through the LTP process it is recommended that the fee for the Te Waewae and the 'Shop' car parks be applied as proposed in the LTP at \$2 per hour and \$15 per day. However if the Board wishes to implement a fee increase that is possible (subject to a resolution from Council to endorse a fee increase).

Exemptions

As part of introducing the paid parking approach, the Mercury Bay Community Board included the ability for local residents and property owners within an area bounded by Hot Water Beach Road, Link Road, Boat Harbour Road and the Roby property to apply for exemptions from the paid parking system.

The area described above includes 172 properties. In the first year of the paid parking system, 52 exemptions were granted and in the second year 40 as at September 2015. The current exemption system has worked well and it is recommended that the exemption approach as initially put in place by the Mercury Bay Community Board be confirmed as a permanent part of the paid parking system at Hot Water Beach.

Previous Discussion/Consultation Background

The proposal to introduce parking fees at Hot Water Beach was originally included as a specific consultation item in the draft 2013/14 Annual Plan. The Mercury Bay Community Board included the Hot Water Beach parking project in its Mercury Bay Community Board Plan and submitted to the Thames Coromandel District Council Annual Plan in support of the project.

A total of 74 submissions were received on the proposal. The summary of feedback received is attached as *Attachment B*. While this feedback dates from the 2013/14 process it is provided as background information for the Board in considering parking fee amendments.

3 Issue

Some members of the Community Board have requested that consideration be given to increasing the parking fees that apply for the Hot Water Beach paid parking areas.

4 Discussion

There are a variety of options available for consideration in relation to this issue. For the purposes of this report these have been narrowed to:

- 1) No change to the parking fees as proposed in the 2015/25 LTP process (\$2 per hour and \$15 per day).
- 2) Increase fees at one or both of the 'Shop' and Taiwawe car parks.
- 3) Decrease fees at one or both of the 'Shop' and Taiwawe car parks.
- 4) A combination of the above.

This does not preclude the Community Board from considering other options.

The parking fee was included in the LTP at \$2 per hour and \$15 per day. The Community Board with Council approval is able to vary fees and charges during the financial year. It is recommended that the fees as proposed in the LTP be applied for the coming summer period given that this will be the first year that the Taiwawe car park will have fees applied. If this summer works adequately (and for example there are not major changes in parking behaviour with for example drivers parking on verges and other areas to avoid paying a fee) then increases could be put in place for the 2016/17 year.

Alternatively, the Community Board may wish to proceed with an increase for the coming summer period. If so, it is recommended that an increase in fees be not more than a doubling of the existing fees taking the hourly rate to \$4 per hour and \$30 per day. It is recommended not to go beyond a doubling of the fees due to the potential to create illegal parking problems beyond the paid parking areas as drivers may seek to avoid the fee. The impact of a fee increase (if any) could be observed over the 2015/16 summer period. Increasing parking fees too much may have unintended consequences such as reducing the patronage of local businesses that rely on customers parking nearby. It should be noted that the existing free parking on berms and adjacent to the Hot Water Beach Shop will remain.

One change that is proposed to the current parking system is to introduce a one hour maximum limit for the free parking areas that are adjacent to the paid parking areas. This excludes the car parks directly adjacent to the Hot Water Beach store which are recommended to remain at 20 minutes of free parking duration to allow reasonable vehicle turnover.

Facility Upgrades Brought Forward

\$650,000 was originally budgeted in the 2012/22 Ten Year Plan in the 2017/18 and 2018/19 financial years for a new Hot Water Beach public toilet facility. Based on the introduction of the paid parking system and the revenue being generated through it, the budget for toilet facility upgrades has been brought forward to the 2015/16 and 2016/17 years in the recently adopted 2015/25 LTP

Other considerations:

- Hot Water Beach Surf Lifesaving has and will continue to be provided with dedicated free parking space within the 'Shop' car park.
- The main surf beach car park, identified berm areas and short term parking adjacent to the Hot Water Beach store remain a free parking alternatives.
- Short term 20 minute free parking adjacent to the Hot Water Beach store will still be provided.
- Vehicles will be able to access and drop off/pick up for free within the pay and display area however whenever a vehicle parks a fee is applicable.
- Council previously purchased the land and subsequently constructed the new Taiwawe public car park. Council also invested approximately \$50,000 in improving the pedestrian crossing over the Te Waewae stream in the 2013/14 year.

Next Steps

The extension of the pay and display system into the Te Waewae car park and any changes to parking fees will be implemented by December 2015.

5 Suggested Resolution(s)

That the Mercury Bay Community Board:

1. Receives the 'Hot Water Beach Car Parking Fees' report, dated 11 September 2015.
2. Determines that exemptions from the Hot Water Beach paid parking system for residents and property owners within the area bounded by Hot Water Beach Road, Link Road, Boat Harbour Road and the Roby property is confirmed as a permanent component of the Hot Water Beach paid parking system.
3. Determines that paid parking exemptions will be granted based on proof of address being provided to the Thames Coromandel District Council.
4. Determines that it either applies the paid parking fees of \$2 per hour and \$15 per day as contained within the 2015/25 Thames Coromandel District Council Long Term Plan to both the Taiwawe and Hot Water Beach Shop car parks or some other fee as determined by the Mercury Bay Community Board and subject to Council approval.
5. Recommends that in the next opportunity for review of the Thames Coromandel District Council Parking Bylaw that a one our parking time limit be introduced on all public parking areas adjacent to the Hot Water Beach Shop and Taiwawe paid car parking areas, excluding the car parks directly adjacent to the Hot Water Beach Store which are to remain limited to 20 minutes of parking duration.

References-Tabled/Agenda Attachments

Attachment A *Mercury Bay Community Board Draft Annual Plan 2013/14 Submission*

Attachment B *Thames Coromandel District Council Draft Annual Plan 2013/14 Submission Results*

Attachment A

[Attachment A - Hot Water Beach Carparking](#)

Attachment B

[Attachment B - Hot Water Beach Carparking](#)