



13.1 **PROPOSED EXTENSION OF BUSINESS PARKLETS**

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1. PURPOSE

- 1.1 To consider the immediate future of the 64 business parklets which are currently due to expire on 30 April 2021.

2. EXECUTIVE SUMMARY

- 2.1 As part of Council's Live Love Local initiative, 64 hospitality traders have utilised business parklets on roads to assist with their post lock-down recovery efforts.
- 2.2 These parklets have removed 192 parking spaces from public use.
- 2.3 Council's Business Parklet Program has been aesthetically successful based on feedback - as well as financially (for traders). Officers have worked collaboratively with traders to ensure these parklets are attractive spaces to dine in and consequently know businesses have spent considerable funds on their constructions.
- 2.4 Council, the Victorian Government and traders have invested time and money to get the parklets and activations up and running. As further COVID-19 outbreaks and a return to restrictions remain a risk (more so after the recent 5-day 'circuit-breaker') there are concerns about ceasing the program and leaving traders vulnerable.
- 2.5 As this temporary program has been successful, officers have begun to develop a policy on a more permanent approach, however this will not be completed by April 2021, given the need to fully engage with the community on this prior to the adoption of a longer-term policy and associated fee structure.
- 2.6 A temporary extension to the current permits would allow Council to continue supporting traders whilst providing additional time to progress with developing the criteria for a longer-term program. Given feedback received during the Program a blanket extension is not recommended. A simple process with clear assessment criteria is recommended to provide confidence to traders and community.
- 2.7 This report relates to Business Parklets only. There is no intention for Council initiated street or laneway closures to create extra public space for COVID-19 to continue beyond the current expiry dates.

3. RECOMMENDATION

That Council:

- 3.1 Notes the update on the Business Parklet Program.
- 3.2 Notes officers have commenced work on a longer-term policy.
- 3.3 Notes the timeframe required for development and approval of a longer-term policy and the need for engagement on this policy and that this may take until December 2021 for the work to be finalised.



- 3.4 Extends the Business Parklet Program until 30 June 2021, and delegates to the CEO in 3.7 below the ability to further extend this until December 2021, dependent upon the timeframe for the finalisation of the longer-term policy position.
- 3.5 Notes that current participants in the Business Parklet Program will be invited to express their interest in participating in the Business Parklet Program beyond 30 April 2021.
- 3.6 Endorses the following criteria for use by the CEO (or delegate) to determine the extension or revocation of permits for the Business Parklet Program:
 - a) limited (if any) and substantiated compliance issues.
 - b) limited (if any) and substantiated negative trader or community feedback.
- 3.7 Delegates to the CEO the authority to issue and/or revoke permits to existing participants in the Business Parklet Program based on the criteria outlined in 3.6 for the period of the Business Parklet Program or for some lesser time period or a fortnight to fortnight extension linked to satisfactory compliance with the criteria in 3.6.
- 3.8 Delegates to the CEO the specific ability to waive, fix or reduce charges and exempt permits for Footpath Trading whilst the program is in operation.
- 3.9 Delegates to the CEO the authority to extend the program from June 2021 to December 2021, if this is required, to allow time for a longer-term policy to be approved by Council.

4. KEY POINTS/ISSUES

- 4.1 The current Business Parklet Program expires on 30 April 2021. The Program has been successful in supporting traders during COVID-19 (this will continue to be important throughout 2021) in addition to adding (in most albeit not all cases) to the vibrancy of key activity centres in the municipality.
- 4.2 Given the success of this initiative, officers have commenced the development of a longer-term policy position. This will not be completed prior to April 2021 given the need to fully engage with community and traders on the approach.
- 4.3 In February 2021, Council surveyed each parklet owner regarding their desire to keep their business parklet beyond 30 April 2021. As of 22 February, 42 surveys had been returned with the results as follows:

Average revenue rate since re-opening in comparison to pre-COVID levels, as result of Parklet/new outdoor dining areas	5% increase
Percentage of businesses able to retain staff due to Parklets	64.28%
Percentage of businesses able to employ new staff due to Parklets	71.48%
Percentage of businesses wanting the Parklet/outdoor dining extension program to continue beyond 30 April 2021	97.62%*

* One respondent did not answer this question

- 4.4 There is a risk of community and/or trader concern if Council pursue a blanket extension on existing business parklets. As such officers recommend that a simple



process is established whereby existing permit holders express their interest in having the permit extended. This request would then be considered against two criteria - limited (if any) compliance issues and limited (if any) negative trader or community feedback.

- 4.5 Complying with the permit conditions would be mandatory in terms of seeking (and maintaining) an extension. Traders will be given two warnings in response to breaches. After this time, they will be placed on a fortnight to fortnight permit that will only be extended if no further breaches are recorded. Any traders reaching three warnings risk having their permits revoked.
- 4.6 Adherence to the recommended criteria would remain integral to the process moving forward so if new compliance breaches or issues eventuated, permits could be re-evaluated at any time.
- 4.7 Under this proposal no new Business Parklet Permits would be granted after 30 April 2021 until the longer-term policy position is established.
- 4.8 Based on feedback received, officers believe the biggest area of concern is Ormond Road, Elwood where 15 parking spaces have been removed between Beach and Pine Avenues.
- 4.9 In response to concerns, 8 car parks were returned to the area via temporary visitor parks replacing permit parks in 4 side streets in December 2020. These parks would remain converted for the duration of any permit extension and 7 of the 15 spaces currently being used for parklets would be returned as carparks at the end of the current permit period (30 April 2020).
- 4.10 Officers would work with impacted traders to ascertain which of the 7 parks should be returned and engage an independent facilitator to broker this conversation if necessary.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 Each trader was asked to supply letters of support from neighbouring traders (and/or residents as applicable) as part of their initial application.
- 5.2 Applicants who were unable to obtain support from neighbours over the duration of the application period were not granted parklet permits and instead were encouraged to consider other options such as extended footpath trading.
- 5.3 A comprehensive consultation plan will be developed as part of the longer-term Policy and will include both trader and resident feedback mechanisms.
- 5.4 Traders and residents who expressed concern at the existing parklets will be individually contacted.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 Each parklet application is assessed against risk, safety and legal implications before the permit is granted.
- 6.2 Parklets are regularly inspected to ensure adherence with permit conditions.

7. FINANCIAL IMPACT

- 7.1 The monthly cost of lost parking revenue is estimated at \$116,736.



- 7.2 Other costs incurred by Council in supporting the program include assessment of requests from traders, some maintenance and beautification costs for some parklets as well as communication and engagement.
- 7.3 The construction of business parklets is funded by traders.
- 7.4 State funding to support the activation of public space has included \$500k as part of the State Government's Outdoor Dining and Entertainment program and a further \$100k to create community parklets, which has helped support maintenance and beautification of some parklets.

8. ENVIRONMENTAL IMPACT

- 8.1 No negative environmental impact has been identified as part of this program.

9. COMMUNITY IMPACT

- 9.1 Parklets are a key initiative of Council's Live Love Local program. This captures the wide range of activities Council is supporting in assisting cultural, economic and social recovery.
- 9.2 Assisting the City's hospitality traders recover and survive post lockdowns is critical in ensuring the continued financial and social viability of our City.
- 9.3 The overwhelming feedback provided to Council by community and traders alike in relation to parklets has been overwhelmingly positive. Many have contacted Council supporting that the parklets be extended.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 The Live Love Local program sits separately to the Council Plan as it was created out of necessity by the COVID-19 pandemic.
- 10.2 The initiatives of the program most closely align with strategic direction 5: we thrive by harnessing creativity.
- 10.3 The implementation of parklets – and the efforts made to support the erection of aesthetically pleasing and functional structures is an example of where creative thinking has been used to support traders as they attempt to rebuild patronage post-pandemic.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

- 11.1.1 Existing permit holders will be contacted after Council's decision and asked to express their interest in a temporary extension.
- 11.1.2 Officers will assess these requests in line with the temporary extension criteria agreed by Council.
- 11.1.3 A meeting would be convened with Ormond Road traders as soon as possible to establish the way forward in returning 7 parking spots to the street.

11.2 COMMUNICATION

- 11.2.1 Messaging would be delivered via Council's numerous communications channels including website, Divercity, social media and media release.
- 11.2.2 Letters would also be sent to all impacted traders and residents.



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12. OFFICER DIRECT OR INDIRECT INTEREST

12.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.

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ATTACHMENTS Nil