



# Draft business parklet fees structure and support

## Explanation

10 tiers of fees are proposed to provide a simplified method of charging that recognises retail rents and that the value of public land varies across our city. *Refer to Table 1.*

- Annual business parklets are proposed to be charged at a rate of 50% of annual retail rents.
- Seasonal business parklets are proposed to be charged at a premium rate of 70% of annual retail rents, recognising that parking spaces are at a premium over this time period.

The retail rent data that informs these charges is collected annually and shown in Table 2.

## How business parklet fees are calculated

On average, 1 patron occupies 1m<sup>2</sup>.

A typical business parklet (1 parking bay), is approximately 12m<sup>2</sup> and would accommodate 12 patrons.

### Formula for an annual business parklet

If the average retail rent is \$400 per m<sup>2</sup>/per year, the rate of charge would be at Tier 3.

Tier 3 mid-point = \$378.50

Charged at 50% = \$189.50 per/ m<sup>2</sup>

x 12 patrons = \$2,271.00 per parking bay

### Formula for a seasonal business parklet

Tier 3 mid-point = \$378.50

Charged at 70% = \$264.95 per m<sup>2</sup>

x 12 patrons = \$3,179.40

Pro-rated to 6 months = \$1,590.00 per parking bay

## Supporting the seasonal cash-flow challenges of our hospitality industry

Traders may be eligible to pay in interest free part payments for the duration of the parklet permit.

## Supporting precincts undergoing change

Charge a 'Revitalisation rate', equivalent to the cheapest rate, for any business in a precinct where there is:

- a reduction in the average retail rent of businesses, informed by valuation data commissioned by Council annually, and,
- a 20% or greater vacancy rate of ground floor commercial tenancies.

## Supporting new outdoor dining opportunities

Discount parklet fees by 50% for the first year, for any business where a parklet has not previously occurred.

## Supporting business affected by major construction works

Provide discounts to parklet fees in locations affected by major building works including streetscape upgrades, with discounts applied on a case-by-case basis.



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*Table 1 - Proposed 10-tier business parklet fee structure*

Tier	From - Average Retail Rent Valuation	To – Average Retail Rent Valuation	Mid-point	Annual charge per parking bay - 50% of av. retail rents	Seasonal charge per parking bay - 70% of av. retail rents
1	\$250	\$295	\$322.50	\$1,638	\$1,147
2	\$296	\$351	\$273.00	\$1,935	\$1,355
3	\$352	\$407	\$378.50	\$2,271	\$1,590
4	\$407	\$462	\$434.50	\$2,607	\$1,825
5	\$463	\$518	\$490.50	\$2,943	\$2,060
6	\$519	\$574	\$546.50	\$3,279	\$2,295
7	\$575	\$630	\$602.50	\$3,615	\$2,531
8	\$631	\$686	\$658.50	\$3,951	\$2,766
9	\$687	\$742	\$714.50	\$4,287	\$3,001
10	\$743	\$800	\$771.50	\$4,629	\$3,240



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Table 2 – Proposed business parklet charges, by area

Area		Retail Rent Valuation 2021	Tier	Annual Parklet 50% of av. retail rents	Seasonal Parklet 70% of av. retail rents
All other areas	Tertiary	\$250.00	1	\$1,638	\$1,355
Fitzroy Street	Primary	\$425.00	*1	*\$1,638	*\$1,147
Fitzroy Street	Secondary	\$325.00	2	\$1,935	\$1,355
Glen Eira Road	Primary	\$350.00	2	\$1,935	\$1,355
Victoria Avenue	Primary	\$300.00	2	\$1,935	\$1,355
Bay Street	Secondary	\$325.00	2	\$1,935	\$1,355
Armstrong Street	Primary	\$400.00	3	\$2,271	\$1,590
Barkly Street	Secondary	\$375.00	3	\$2,271	\$1,590
Bridport Street	Secondary	\$400.00	3	\$2,271	\$1,590
Carlisle Street	Secondary	\$375.00	3	\$2,271	\$1,590
Clarendon Street	Secondary	\$375.00	3	\$2,271	\$1,590
Glenhuntly Road	Primary	\$375.00	3	\$2,271	\$1,590
Tennyson Street	Primary	\$325.00	3	\$2,271	\$1,590
Bay Street	Primary	\$450.00	4	\$2,607	\$1,825
Coventry Street	Primary	\$450.00	4	\$2,607	\$1,825
Barkly Street	Primary	\$475.00	5	\$2,943	\$2,060
Clarendon Street	Primary	\$475.00	5	\$2,943	\$2,060
Ormond Road	Primary	\$475.00	5	\$2,943	\$2,060
Acland Street	Secondary	\$550.00	6	\$3,279	\$2,295
Carlisle Street	Primary	\$525.00	6	\$3,279	\$2,295
Bridport Street	Primary	\$675.00	8	\$3,951	\$2,766
Acland Street	Primary	\$800.00	10	\$4,629	\$3,240
Application fee for new, amendments and transfers					\$250
Permit renewal administration fee					\$70

\*Fitzroy Street Primary area (from Upper Esplanade to Grey Street), charged at the Revitalisation rate, being the cheapest Tertiary rate.