Wellington City

Parking and Retail Spend

Dec 2021 analysis

Terms of Reference

- Thorndon
  - Retail spend/parking (night, day, week, W/E)

- CBD
  - Retail spend/parking (night, day, week, W/E)

- Clifton car-park
  - Occupancy (Week and W/E)

Context

Unite against COVID-19

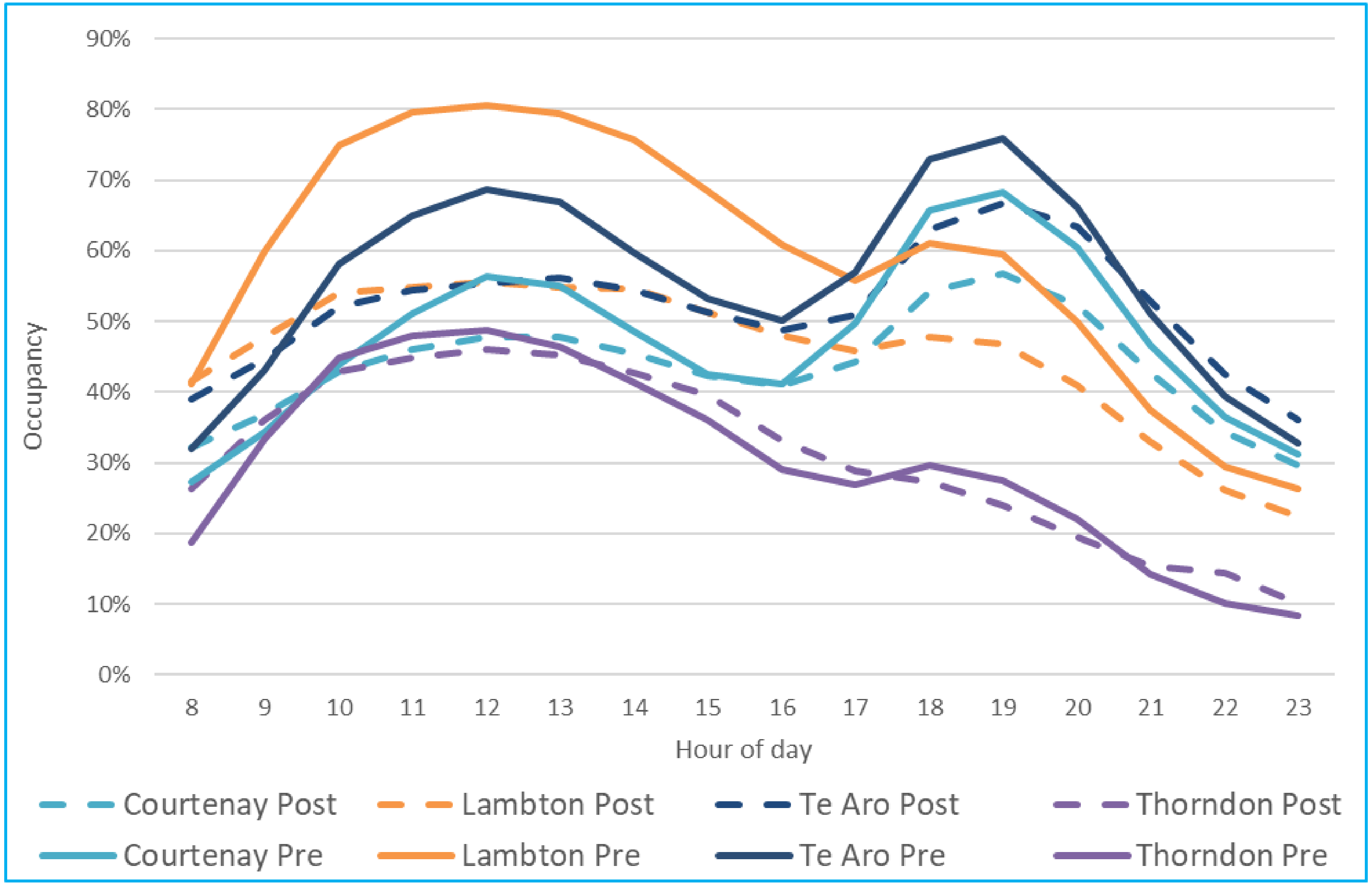
Public transport use

Source: GWZ

- COVID-19 Lockdowns and health sensitivity
  - High % are persistently working from home

Parking

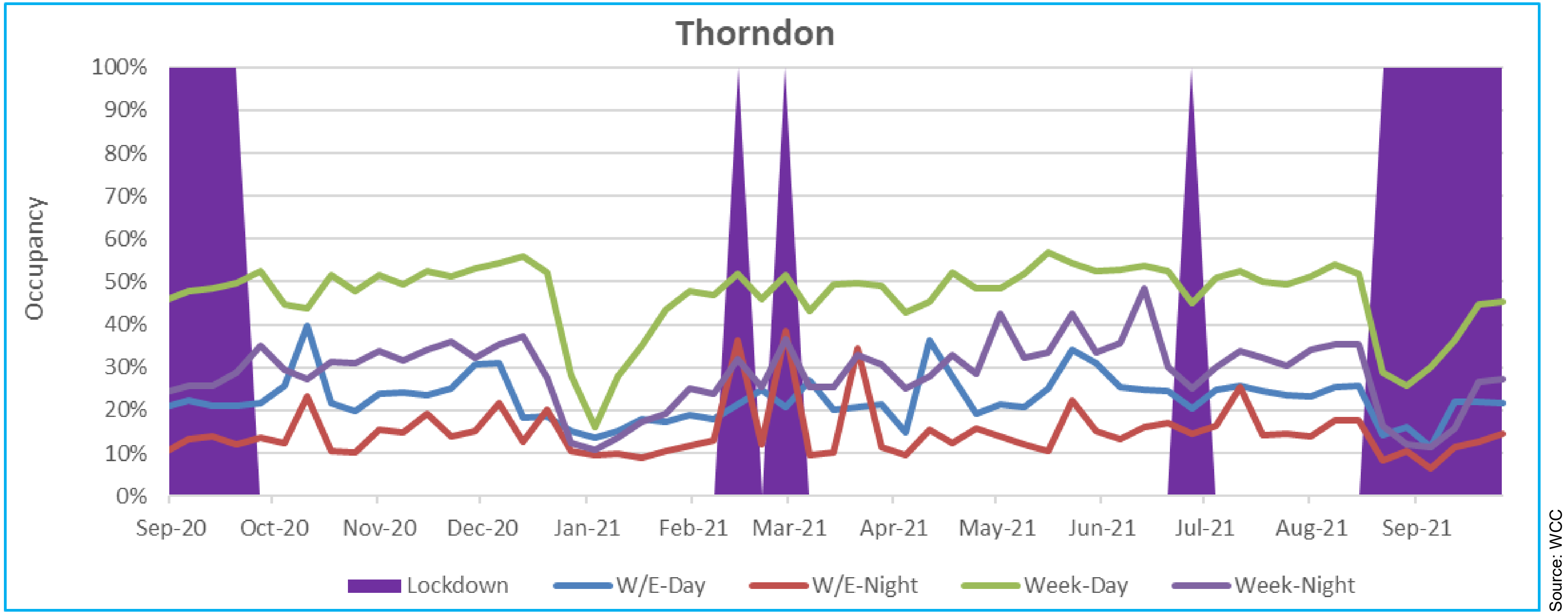
Occupancy: Pre vs Post tariff increase



Source: WCC

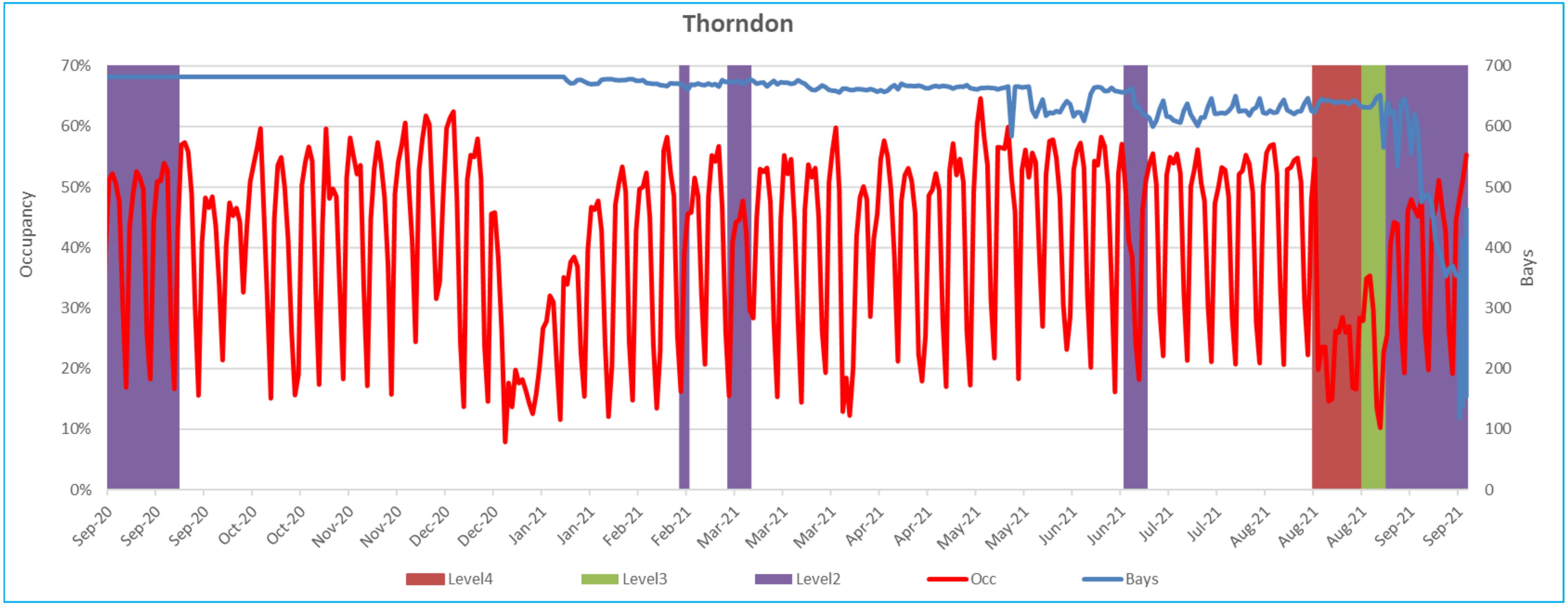
- Background
  - Compares July/Aug 2020(Pre) with Jul/Aug 2021 (Post)
  - Lambton and Thorndon are mid-morning intensive
  - Te Aro and Courtenay are afternoon intensive
- Change in occupancy
  - Thorndon grows!
  - Rest decline by 15%-5%
  - Lambton has the largest decline

Thorndon



- Low occupancy (especially at W/E)
- No decline post July

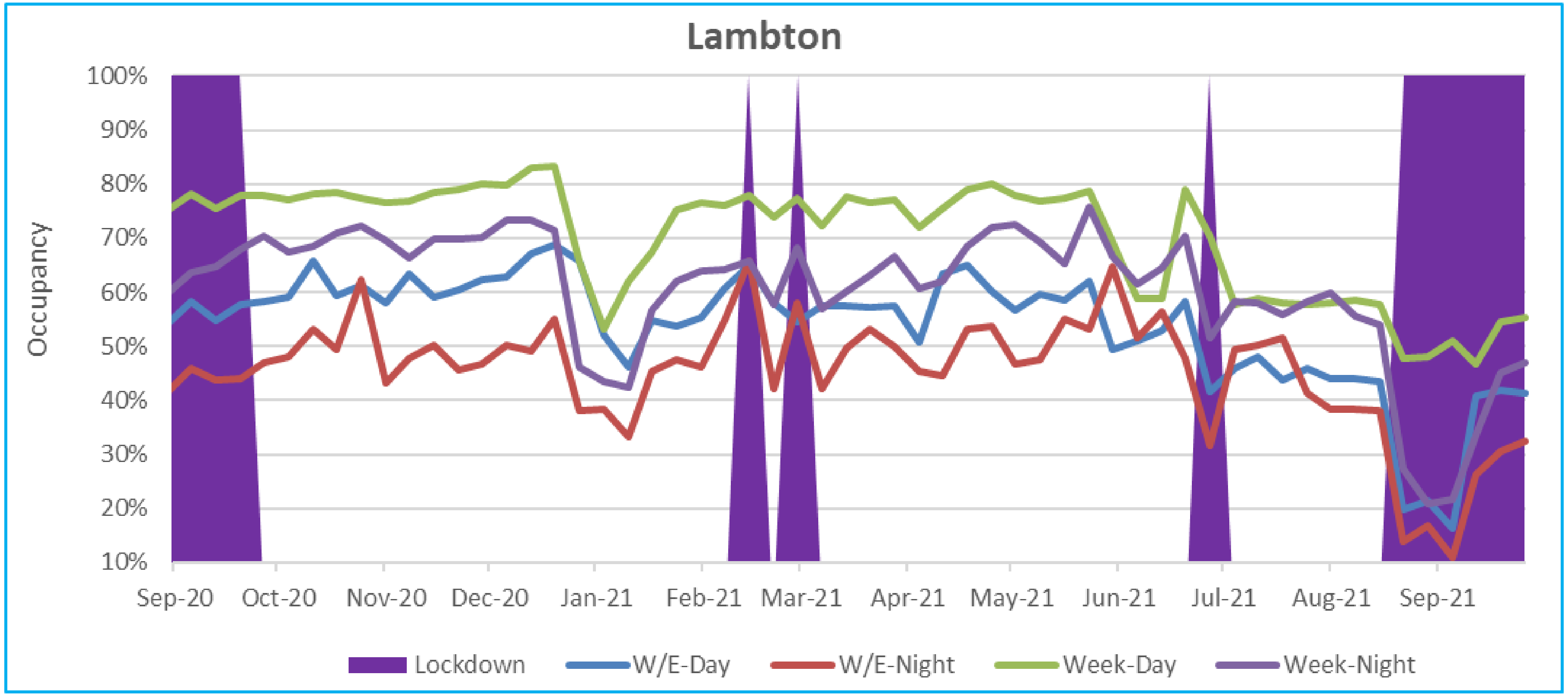
Thorndon loss of bays



Source: WCC

- Stable occupancy July to Aug
- NOTE: Loss of bays (-15%) in Sep PLUS increase in occupancy

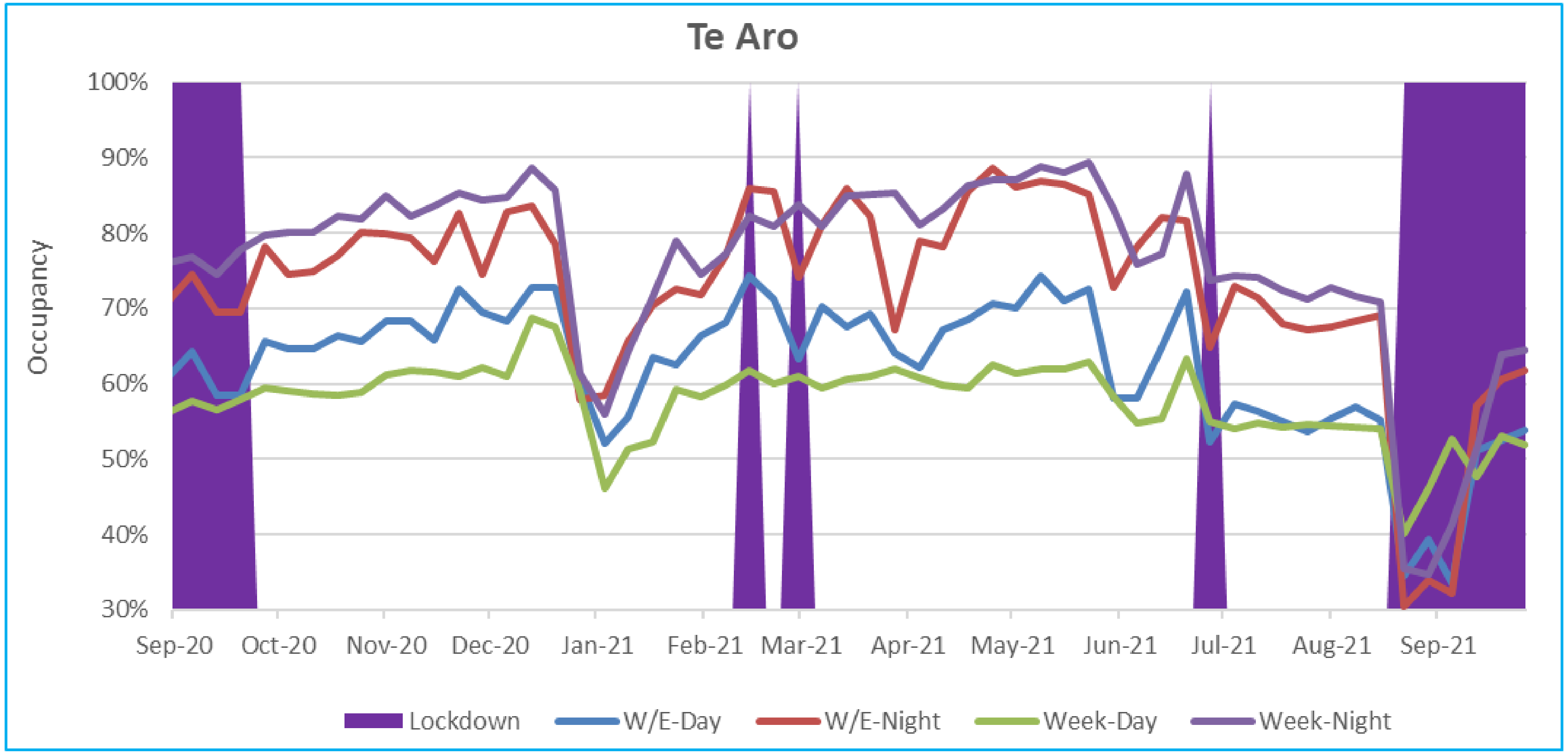
Lambton



Source: WCC

- High occupancy in day
- Dramatic decline post July

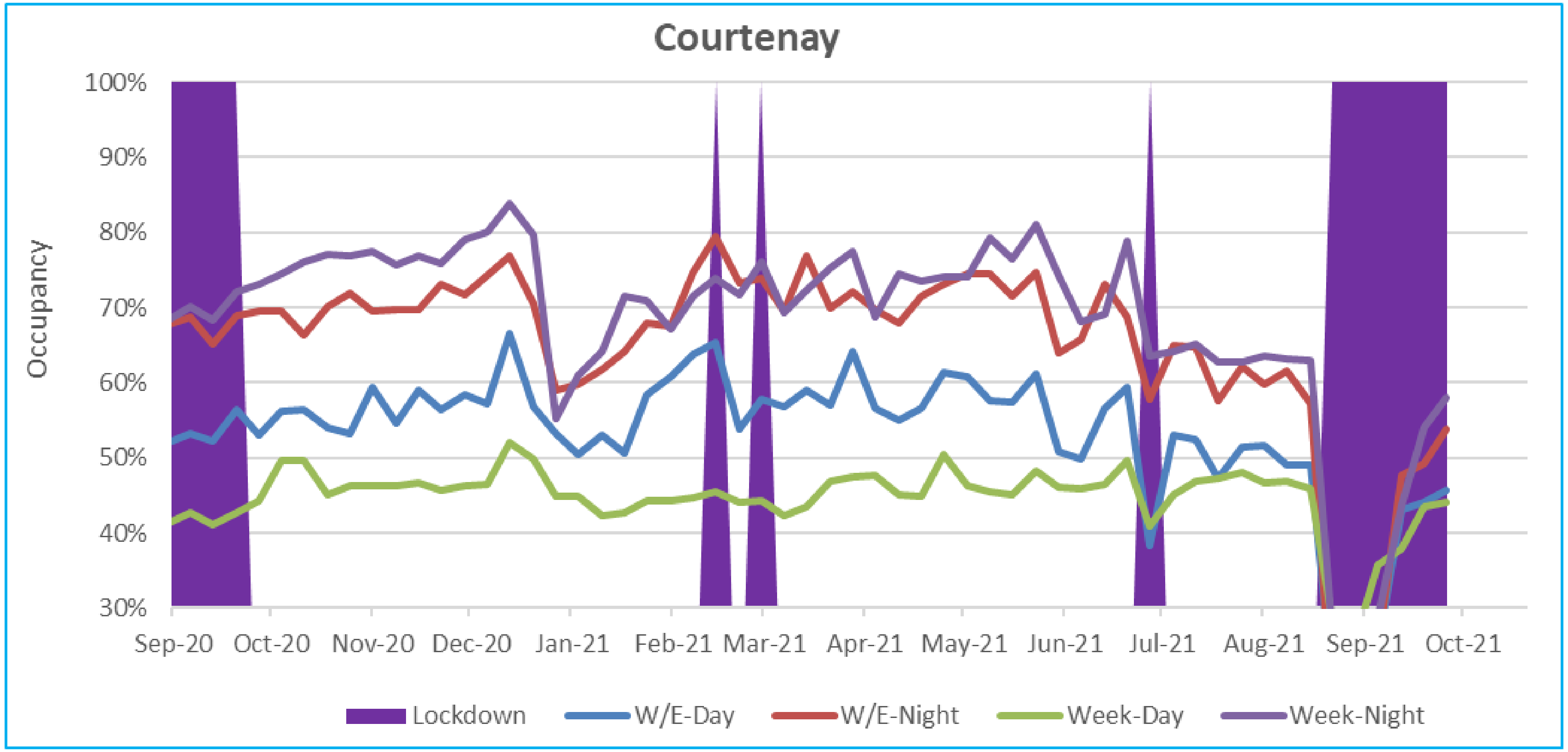
Te Aro



Source: WCC

- High occupancy in day and night
- Dramatic decline post July

Courtenay



Source: WCC

- High occupancy at night (week and W/E)
- Dramatic decline post July

Clifton carpark

	Average Peak Occupancy (Weekdays)
July 2021	98%
August 2021	56%
September 2021	61%
October 2021	92.82%
November 2021 (up to 25th)	96.27%

	Average Peak Occupancy (Weekends)
July 2021	15.98%
August 2021	7.79%
September 2021	11.85%
October 2021	17.76%
November 2021 (up to 25th)	16.70%

Source: WCC

- Week: Full (95%+ post-Lockdown)
- W/E: Underutilised (16%)

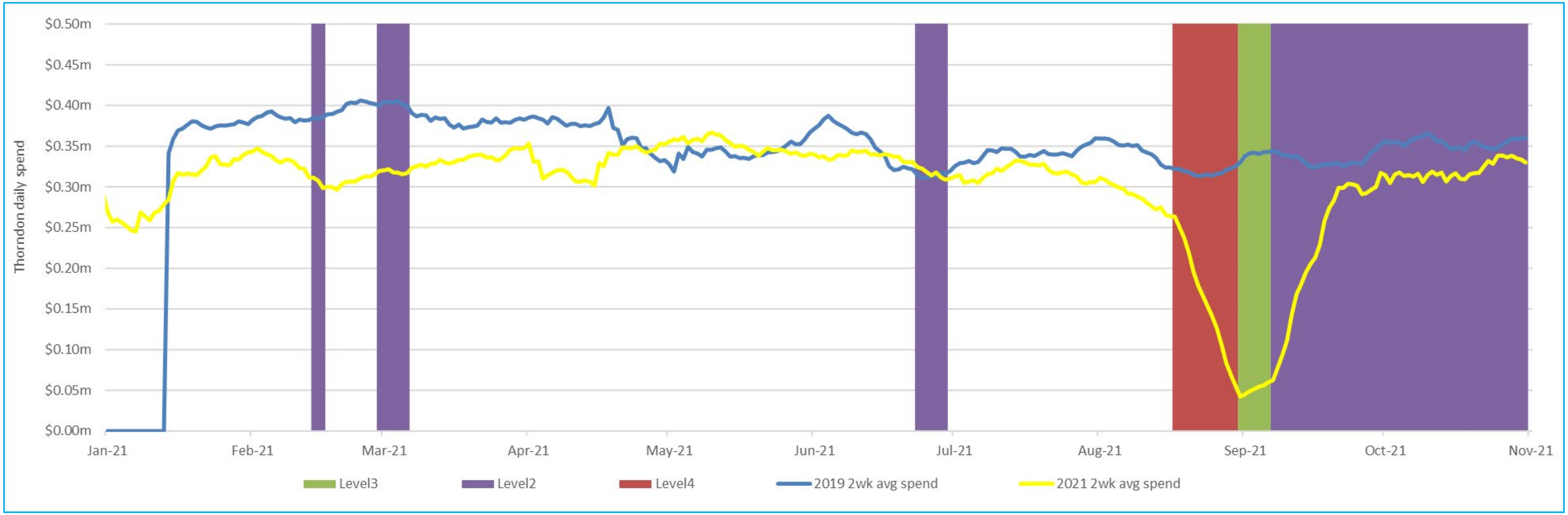
Parking summary

- Context
  - City wide car-parks:
    - 3,200 (approximately) WCC controlled carparks
    - 23,000 total car-parks (private + public)
  - Public parking charges increased:
    - 50c/hour for all tariffs on July 5th 2021 (i.e. 20% increase during W/E)
    - Weekend hours went from 8am-6pm to 8am to 8pm

- Observed trends
  - CBD occupancy dropped approximately 15% post-tariff change
  - Thorndon
    - 2% increase in occupancy post-tariff change
    - Reduction in bays increases occupancy in Sep+ 2021
  - Lockdown delays expected ‘recovery’ after tariff increase
    - There is anecdotal evidence that occupancy drops as tariffs are increased, but then return to normal after around 6 weeks

Retail and Hospitality

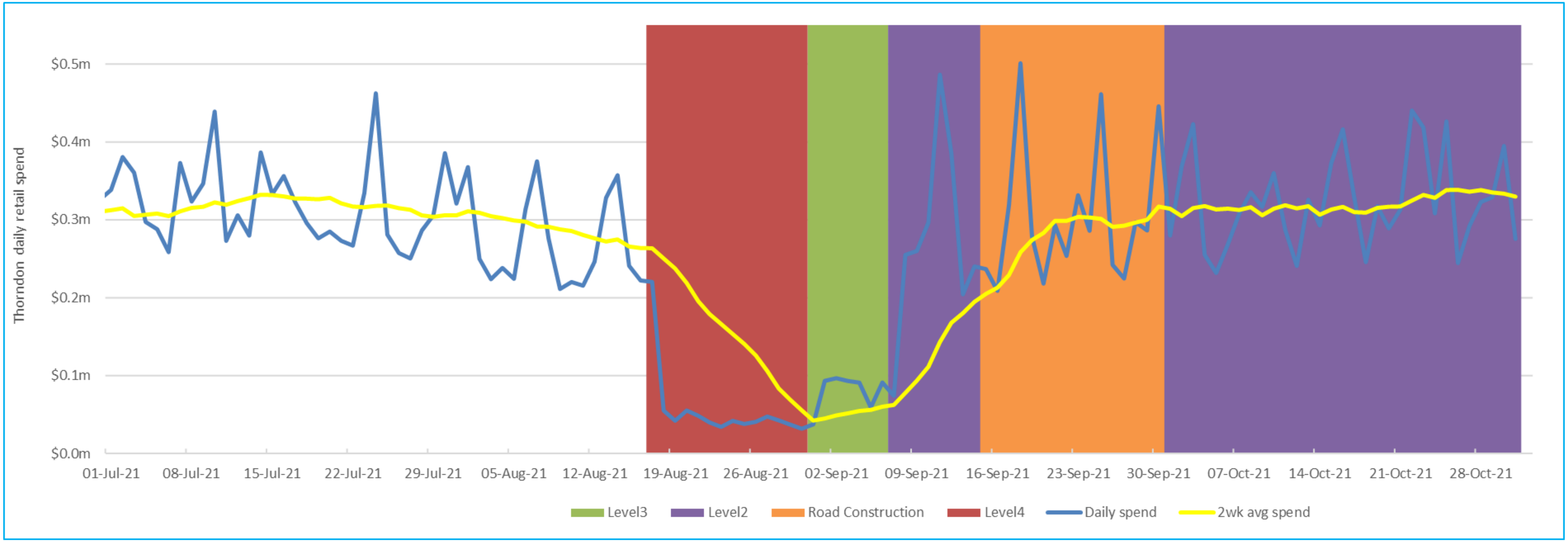
Thorndon: spend by day (8am-6pm)



Source: MarketView

- Spend is $0.35m average
- Trend: declines Jul/Aug but recovers in Oct (despite changes to parking)

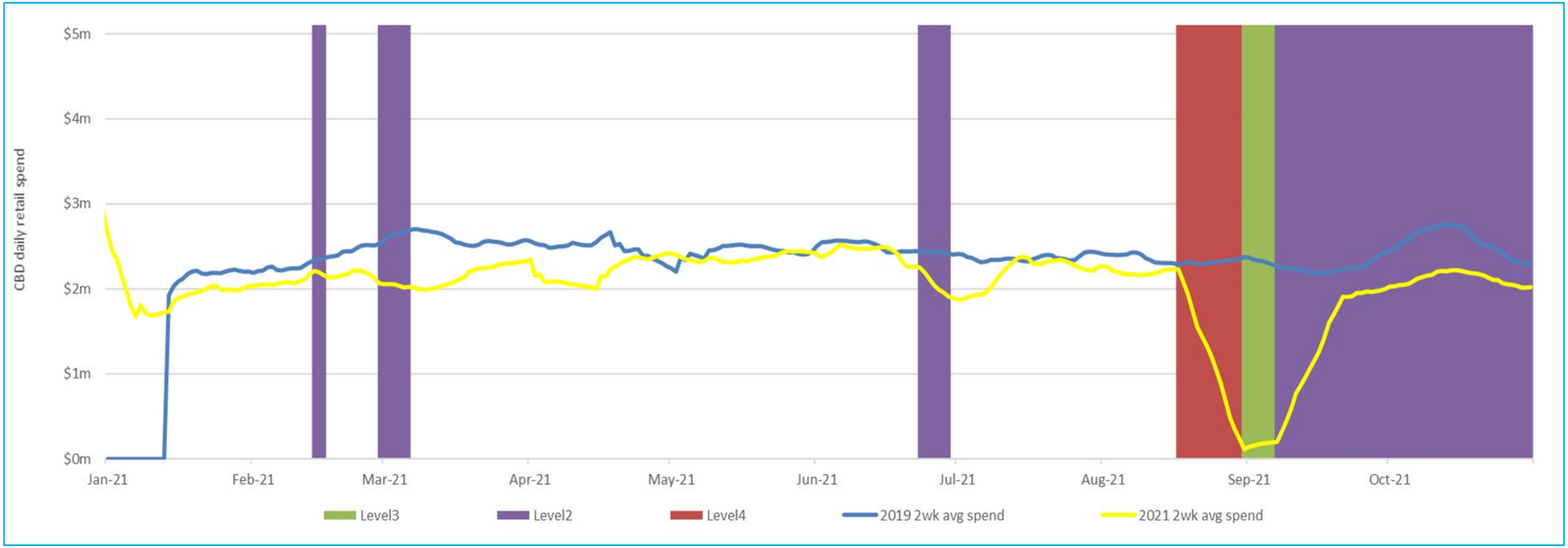
Thorndon: spend by day (8am-6pm) detail



Source: MarketView

- Road construction to convert angle bays to parallel
- Bounce in spend post-Level4/3 lockdown
  - Consistent with home/hardware nature of merchants (consumer travel budget being spent on home improvements)

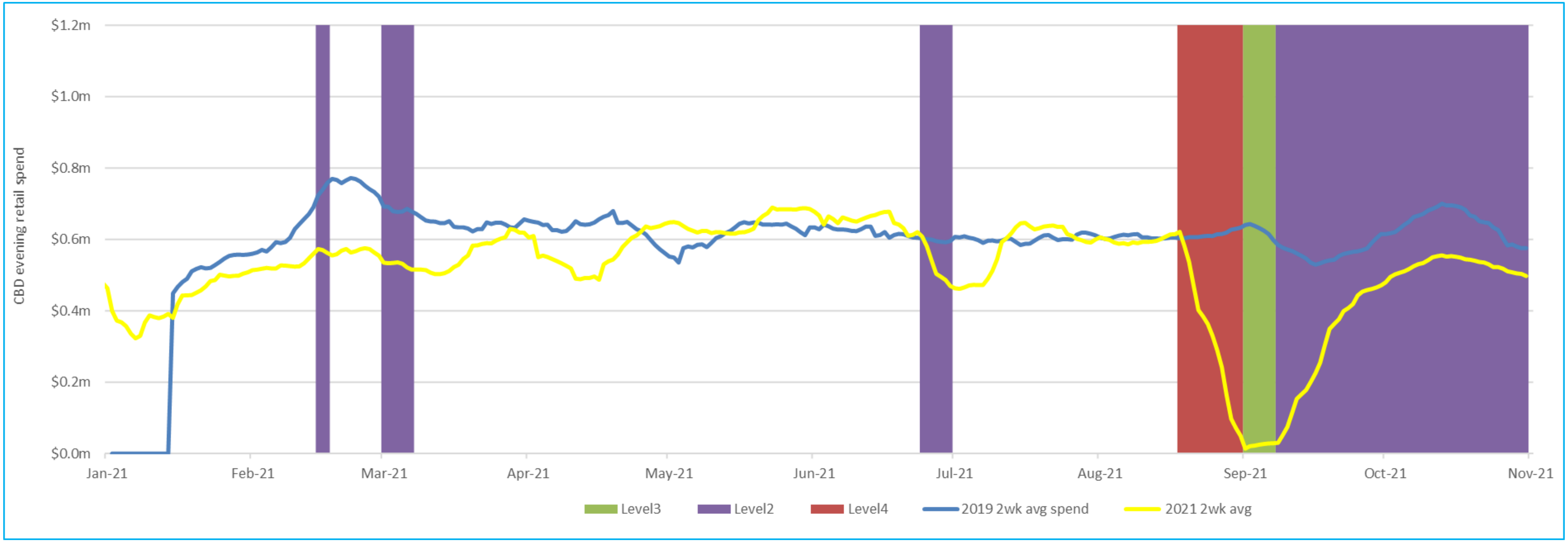
CBD: spend by day (8am-6pm)



Source: MarketView

- Daily spend of $2.5m
- Trend: post-lockdown not quite recovered (WfH + lockdown anxiety?)

CBD: spend by night (6pm-10pm)



Source: MarketView

- Daily spend of $0.6m average
- Trend: similar to day spend

Retail summary

- Retail+hospo excludes groceries and fuel
- Recovering to 2019 levels prior to latest lockdown
- Change in spend brought on by
  - COVID-19 lockdown
  - Working from Home (WfH)
    - CBD foot-fall down by 15%+
    - But spend is not down by the same factor
  - Online spend increase
    - Increases in apparel and groceries by approximately 10%
  - Parking is a small cost in the overall CBD Experience
    - I.e. the average merchant spend is $40 per transaction
    - The typical consumer has many transactions in their visit

CBD parking and retail (final thoughts)

- Working from Home
  - Likely to be persistent
  - Likely to reduce demand for parking and to some extent CBD spend for retail/hospo

- Parking occupancy
  - Lockdown: has had a significant impact
  - Tariff changes: too early to tell the long-term impact due to COVID-19