Appendix 5

FAQS: Conversion of Surplus Car Parking in Commercial, Mixed use and Hotel developments

Policy Changes

1. **What are the changes being made to the policy on car park conversion?**

   (1) Under prevailing guidelines, commercial, mixed-use and hotel developments that have reached their maximum allowable GFA under the Master Plan (MP) control are only allowed to convert their surplus car parking spaces arising from initial overprovision (i.e. above LTA's standards) to other uses on a temporary basis, up to 10 years; surplus car parking spaces arising from a downward revision of LTA's standards are allowed to be converted to other uses on a permanent basis.

   With this policy change, all commercial, mixed-use and hotel developments within the Central Area will be allowed to permanently convert their surplus car park lots to other uses, subject to certain conditions (e.g. the proposed uses must be in line with the planning intention of the area, etc.).

   (2) In the present framework, developments are allowed to convert their parking spaces up to the Minimum Allowable Provision (MAP) level, i.e. 20% below the prevailing car parking standards only if their resultant GFA is still within the MP control.

   With this circular, all developments will be eligible for converting their parking spaces to the MAP level. For this to be applicable, developers must make a separate Range-based Car Parking Standards (RCPS) application to LTA for approval.

2. **What are the disadvantages of the existing policy for converting surplus car parking spaces to GFA?**

   The prevailing temporary conversion policy requires building owners to ensure at the time of application that any proposed conversion of car parking space can be reinstated to its original use when the Temporary Permission expires. This provisional nature of the policy creates uncertainty for developers and also imposes restrictions on the possible use of the space / extent of conversion.

   This policy change will thus provide building owners in the Central Area with greater flexibility and certainty in optimising their built space, so as to better cater for their specific operational and business needs.

3. **What is the rationale for the change?**

With improvements in public transport capacity, choices and coverage in the Central Area, commuters are better connected between their homes and work places via public transport and there is less need to rely on private transport to get into the city.

With the completion of Downtown Line Stage 2 in Dec 2015 and Stage 3 in 2017, and the Thomson-East Coast lines from 2019, commuters in the central area will be able to access an MRT station within 5 minutes' walk on average. It is thus opportune to provide building owners with additional flexibility in optimising the space within their developments by converting their surplus car park lots to other uses.

4. **Why is the change only restricted to developments in the Central Area?**

We have started with the Central Area as the area is well connected and well served by public transport. LTA and URA will continue to monitor the situation and review the scope for expanding the geographical coverage of this policy change to other locations in the future.

5. **Which types of developments are eligible?**

Commercial, mixed-use and hotel developments located within the Central Area are eligible. However, the conversion of surplus car parking spaces will not be allowed where:

a. There are specific conditions that do not allow the conversion of the additional car parking spaces, such as those previously imposed by URA or other Government agencies (e.g. through land sales conditions). In these situations, conversion of surplus car parking spaces will only be considered on a case-by-case basis, where there are supporting justifications to merit waiver of the earlier requirements;

b. The site is located within or adjacent to Conservation Areas where the additional car park lots support the uses within the conserved buildings.

6. **Why are developments in 5(a) and (b) not allowed to convert their surplus car parking?**

The additional car parking spaces provided in developments described in 5(a) and (b) were planned to serve the needs of the surrounding areas. Therefore, conversion of surplus parking lots in these developments is generally not allowed. Nevertheless, surplus parking spaces imposed under conditions stated in paragraph 5(a) may be considered for conversion on a case-by-case basis, subject to evaluation by the relevant agencies.

7. **Was there any prior consultation done with developers and other relevant groups?**

   This change in policy arose from a joint study between LTA to URA to review the surplus car parking conversion framework. The study took into account feedback from developers on parking issues raised during consultations and dialogue sessions.

8. **What are the uses allowed under this conversion?**

   The additional GFA arising from the conversion and the proposed uses will be subject to evaluation by URA and other relevant agencies. The type of uses supported must be in line with the Master Plan zoning, the planning intention for the site and the surrounding area. Additional retail and F&B uses will generally only be considered where it meets larger strategic or planning objectives.

Impact of the new policy

9. **Would the building's tenants, visitors, and neighbours be adversely affected by this policy?**

   It is in developers' interest to manage and optimise their parking provision to ensure the smooth and efficient operation of their developments. This policy change only seeks to inject more flexibility into the current framework. Therefore, it is unlikely that it would lead to a chronic parking shortage problem for users of the development. Tenants and visitors would benefit from the additional space and possible amenities created through the conversion.

   As per current practice, LTA and URA will evaluate all applications for their traffic/parking impact before approval, and continue to monitor the on- and off-street parking situation in the Central Area.

   Building owners are encouraged to facilitate and actively encourage alternative means of access for their tenants and visitors, especially in view of public transport improvements in the city area.

10. **There is already not much parking in the Central Area. For parking demand to decline further, is LTA projecting an almost zero or even negative growth in private vehicles in the area?**

    Our surveys indicate that overall parking supply in the Central Area is adequate. However, it is likely that some buildings are more popular than others, which may be why it is more difficult to find parking at these developments. We will require developments submitting applications for converting surplus parking to also submit parking occupancy data and proposals for managing parking demand.

We would also like to highlight that public transport offers a good alternative mode to car travel, especially in the city. In addition to our comprehensive bus network that includes city direct services, the city is also well served by our rail network comprising the NSL, EWL, CCL, and DTL lines. With the completion of DTL3 and TEL, commuters in the central area will be able to access an MRT station within 5 minutes' walk on average. Therefore, in view of the growing convenience of the public transport network serving the city, we encourage all commuters to use public transport for travel into/from the city as much as possible.

11. Do you foresee parking costs going up further?

Parking charges are determined by the market, and may vary across the city based on the specific parking demand and availability.

<u>LTA's Car Parking Standards</u>

12. What is LTA's minimum parking provision?

LTA requires that a minimum number of parking spaces be provided by each development under its prevailing car parking standards. The minimum parking provision is determined based on the space developed, type of use and location of the development.

13. Why has LTA's minimum parking requirement changed over time?

The car parking provision standards were tightened in 1995 and again in 2002 to reflect the continued decline in parking demand, due to a more developed public transport network. We will review these standards in tandem with public transport improvements and growth in public transport mode-share amongst travellers.