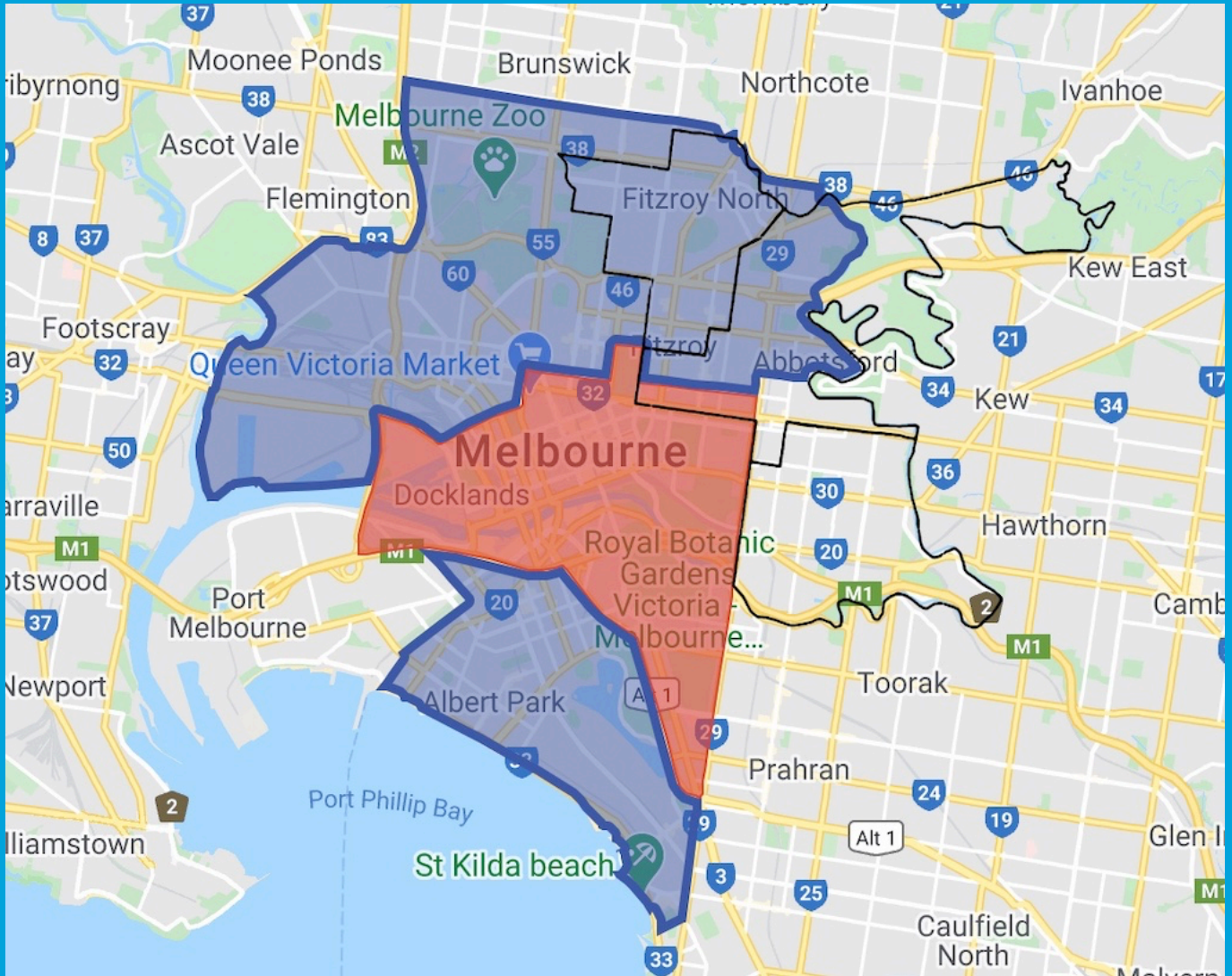


RETURN THE CONGESTION LEVY TO COUNCILS



Prepared by: Streets Alive Yarra Inc.
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Foreword

Streets Alive Yarra is a non-profit, volunteer, resident and ratepayer action group with a [vision](#) for more trees, wider footpaths and vibrant businesses in thriving [neighbourhoods](#). We see our streets being used by people from [all ages](#), irrespective of whether they walk, roll on a wheelchair, cycle, use public transport or drive. Residents and shoppers should be able to move safely, comfortably, and conveniently around Yarra; and park near shops.



Image credit: OCULUS Landscape Architecture and Urban Design

Streets Alive Yarra was founded in 2017 and now has over 2,600 likes on Facebook. A network of local champions develops concepts and proposals for how to improve their local street or precinct. Streets Alive Yarra is also Yarra's Walkability Action Group (WAG) representative for Victoria Walks.

Further information is available at: streets-alive-yarra.org/about.

Summary

This report recommends that the state government:

- Return 100% of the revenue raised by the congestion levy to local government councils, with the condition that the revenue be used for measures to reduce congestion, such as investing in infrastructure for walking, cycling and public transport.
- Extend the congestion levy to include the southern half of the City of Yarra.

Congestion levy

The Victorian state government **imposes a congestion levy** on off-street parking in the inner city (residential bays are exempt). Much of the northern half of Yarra is within the blue levy area, and car park owners have to pay \$1,050 per year. A small section of Yarra is in the red levy area, and car park owners have to pay \$1,480 per year.

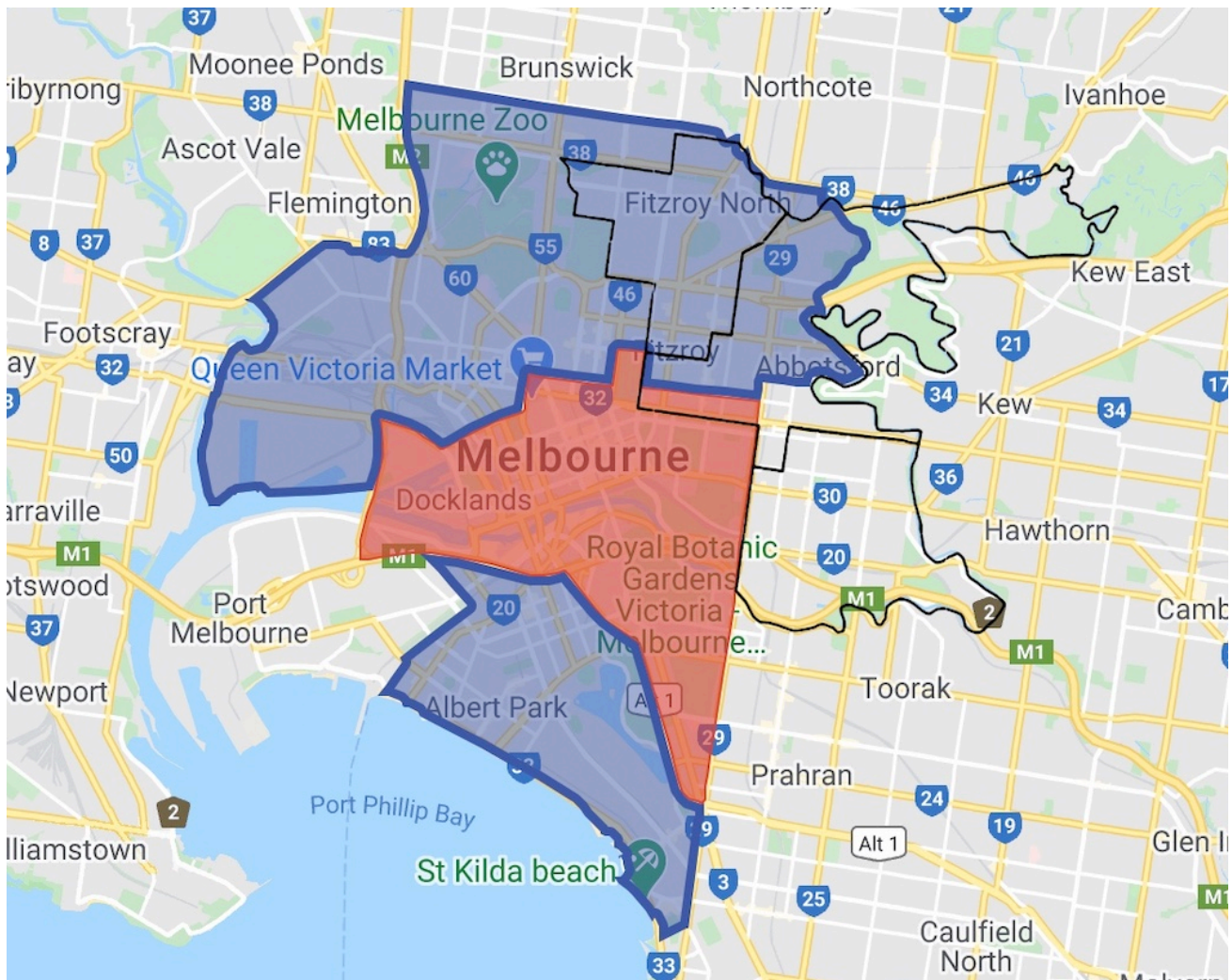


Image credit: <https://www.sro.vic.gov.au/car-parks>, Yarra boundary overlay from Streets Alive Yarra

Estimate of revenue

The number of leviable car parking bays in the City of Yarra is not on the public record. If Yarra hosts 10,000 leviable car parking bays, then the state government is receiving \$10m per year from properties in Yarra.

Congestion in Yarra

Congestion is a problem in inner Melbourne, including in local government areas of the City of Melbourne and the City of Yarra. Congestion that hinders driving is not only an economic burden for businesses who rely on motor vehicles, it's an issue of social justice for people who need to drive, such as some people with disabilities, some seniors, and people who need to drive for their work.

Yarra's need for revenue

The City of Yarra is desperately short of revenue to invest in infrastructure to support congestion busting measures (walking, cycling and public transport) including:

- Smoother, wider footpaths
- Safer pedestrian crossings
- Kerb extensions
- Raised platforms at intersections
- Raised threshold treatments
- Protected bicycle lanes
- Protected intersections
- Level access public transport stops
- Relocation of on-street parking to free up space for footpaths, bicycle lanes and level access public transport stops

Streets Alive Yarra [estimates that the City of Yarra needs to spend at least \\$100 per person per year \(or \\$10 million per year\) over 10 years](#) to bring infrastructure up to best-practice standards for walking, cycling and public transport. Historically, the City of Yarra has been spending between \$0.1 million and \$1 million on safe travel infrastructure, an order of magnitude below what is required.

Social justice

Investment in walking, cycling and public transport by local government councils isn't just about reducing congestion, it's also a matter of social justice. Many people either can't drive or can't afford to drive, but deserve to be able to get around to access school, work, friends, shops or services. Safe travel infrastructure is needed to deliver this.

Extend the congestion levy

An extension of the state government parking levy was proposed by Infrastructure Victoria in their 2018 report “[Five-year focus, immediate actions to tackle congestion](#)“, and again in their 2020 report “Draft 30 year Infrastructure Strategy”.

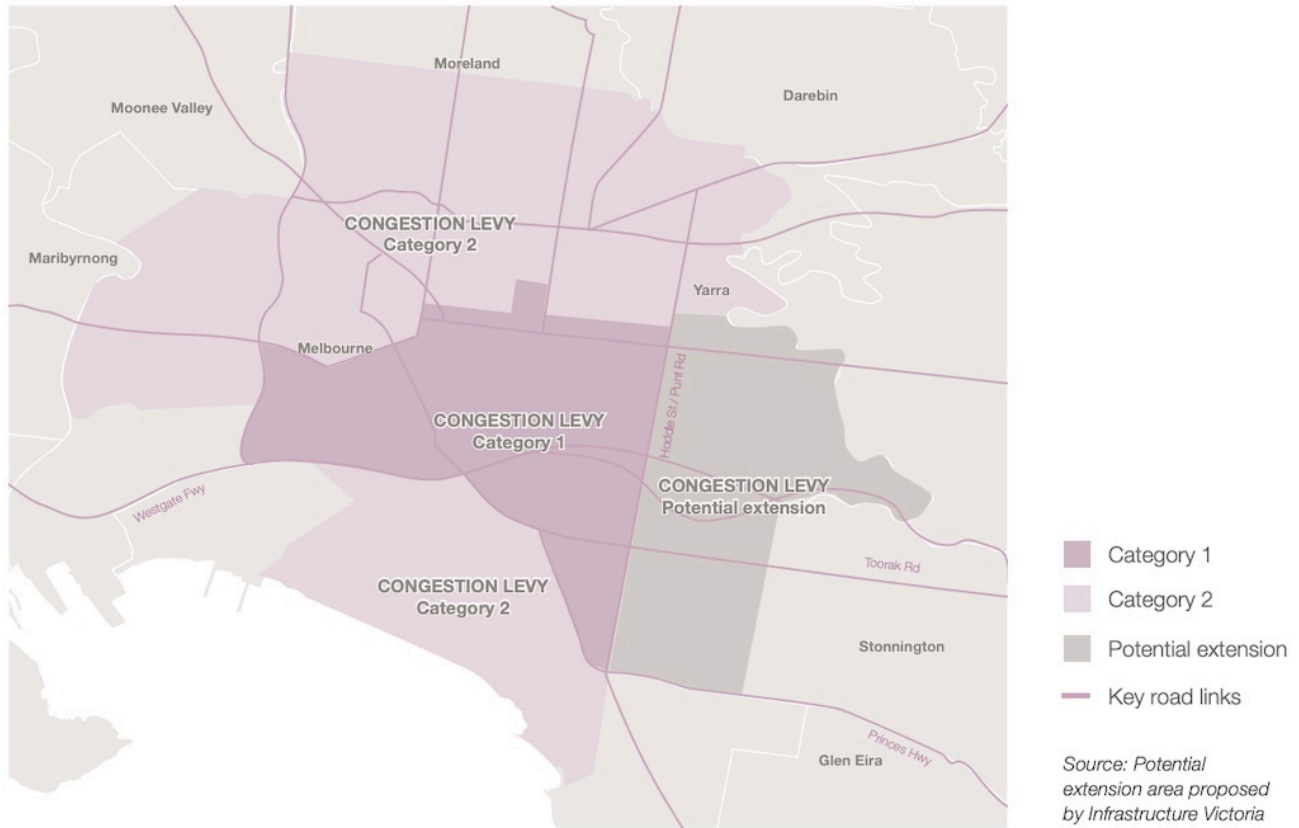


Image credit: [Infrastructure Victoria](#)

Building and construction is booming in the City of Yarra, especially in Cremorne, which is not, at present, covered by the congestion levy. The same applies to areas in the City of Stonnington, as identified by Infrastructure Victoria. If the congestion levy is not extended to these areas, it is likely that congestion will worsen and many streets in these areas will regularly experience gridlock before 2030.

Support from the City of Melbourne

The City of Melbourne Transport Strategy 2030 supports the extension of the congestion levy area, and the revenue to be allocated to local government councils, to deliver improved infrastructure for walking, cycling and public transport:

We propose further improvements to the successful Victorian Government Congestion Levy, including:

- in the short-term, increase the charge to address current congestion
- expand the Category 2 area to include Richmond, South Yarra, Windsor and Prahran
- regularly review and increase the levy to reflect Melbourne's population growth rate
- allocate more of the revenue raised for City of Melbourne and other Levy area councils to deliver projects which improve efficient transport such as footpath expansions, protected bike lanes, accessible tram stops and dedicated tram and bus lane initiatives.

Image credit: City of Melbourne Transport Strategy 2030

Concluding remarks

The people of Melbourne would be better off overall if 100% of the revenue from the congestion levy was returned to local government councils, addressing the core systemic barrier of fiscal imbalance which prevents councils such as the City of Yarra from investing in congestion busting (and social justice) measures such as infrastructure to support walking, cycling and public transport. The state government should both return the revenue and extend the levy to include the southern half of Yarra.

Streets Alive Yarra would be delighted to provide further detail or explanation of the themes raised in this document.

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