



## Expert insights: car parks, the facilitators of the liveable city

There are several clear trends in the European mobility sector. We see a transition from fossil-fuelled vehicles to electric vehicles (EVs) and an increasing pressure on city infrastructure due to continuing urbanisation and the increasing number of cars. At the same time, there are questions about where to charge these EVs and how to ensure cities remain accessible for all, given these are the economic and social engines of our society. Since car parks can play an important role in this contradiction, Primevest Capital Partners, Europe's leading investment manager in car parks, hosted a round table event at Dutch Real estate trade fair Provada.

During the discussion, **Fred Wilkes** (Q-Park NL), **Carlo Barten** (APCOA NL) and **Rutger Schuur** (ParkBee), the parking sector's thought leadership, shared their vision of the role of car parks in relation to the transition to EVs, their potential use as the city's battery, the impact on the economy and inclusivity of our cities and reducing traffic movements in the city by digitisation and by adding additional uses.

The main theme "Car parks: the facilitators of the liveable city" was introduced by moderators **Bas Magielse** and **Tim Vreeken** (Primevest Capital Partners).

### **Car parks can facilitate the transition from fossil-fuelled vehicles to EVs**

Carlo Barten kicked off the round table session by arguing the car park sector could play an important role in the transition from fossil-fuelled vehicles to EVs. "Charging an EV takes more time than filling up a car with petrol, even when charged at a fast charger. Converting all petrol stations into EV charging stations will not be sufficient for this reason. Therefore, it would make sense to additionally position EV chargers in public car parks, as EVs tend to be parked there for a longer time."



“Moreover, local authorities want to reduce on-street car parking in the cities on the one hand, but on the other hand they want to position EV chargers on these streets to promote the use of EVs. However, the latter would result in the opposite of reducing on-street car parking,” he said. “A logical outcome would be to position EV charging facilities inside car parks as this would contribute both to the policy of reducing on-street car parking and to the promotion of the use of EVs.”

Fred Wilkes pointed out the importance of 2035, the deadline set by the European Union to end the sale of fossil-fuelled cars. “Some countries, such as the Netherlands, are thinking of more ambitious targets like 2030,” he said. “And several car manufacturers have hinted they will only sell EVs from 2025 or 2026 onwards.

“Fossil-fuelled vehicle owners can refuel quickly in many places, while EV owners often look for an EV charger when they park as they know that’s the window to charge their EV,” he said. “In the Netherlands, around 20% of the EV owners don’t have a charging facility at home. So it would make sense to invest in positioning EV charging facilities inside car parks, where EVs are already parked, rather than in public space.”

Installing EV chargers, the Q-Park director said, can be left to the market. “We started implementing EV chargers in car parks 10 years ago and this year we’ll be heading for 1,750 in the Netherlands. The government could help us by ensuring that the electricity grids have

sufficient capacity to supply the electricity required by the EV chargers, as this is one of the biggest bottlenecks we face.”

### **Car parks as a city’s electricity battery**

Car parks could even have a key role in supporting the electricity grid, Fred Wilkes continued. “In a car park, the electricity stored in the batteries of EVs can be returned to the electricity grid. If just 10,000 fully charged EVs were connected to the electricity grid between 8pm and midnight, Utrecht’s entire peak electricity demand could be satisfied. After midnight, when the peak has passed, the EVs could be recharged again. In a way, car parks could become the city’s battery.”

Carlo Barten was less optimistic about EVs being used as a battery because of the tiered pricing structure. “What if you buy the electricity to charge your EV at 30 cents but get only 20 or 15 cents for what you return to the electricity grid?” he asked. The battery function would only be a success at privately used car parks, where there is only one fleet owner paying for the electricity of all cars parked. In public car parks, we need a transparent payment system that consumers trust and want to use. Right now, we don’t have this and so we still have some steps to take.”

### **Impact of car parks on city inclusivity**

On a different note, Rutger Schuur told the audience that car parks can contribute enormously to the economy of a city by ensuring it remains accessible. “However, I have reservations about the impact car parks have on the inclusivity of our cities. No one living in social housing in Amsterdam can afford to pay €300 a month for a space in a car park, which is what a commercial car park operator would be asking,” the ParkBee chief said.







Carlo Barten stressed that pricing is largely a derivative of parking policies. “The municipal parking policies are ensuring that on-street parking slowly disappears, and other forms of transport are prioritised. This results in parking spaces becoming scarcer and, consequently, the parking tariffs increase.”

“Besides the higher tariffs, other factors in our car parks limit inclusivity, such as a lack of parking facilities for disabled people. We’ve quite a decent number of parking spaces with signs with disabled symbols, but apart from that we don’t do much. I don’t think inclusivity is the car park sector’s strongest point. We can and should improve further.”

Fred Wilkes told the Provada audience that the parking sector is already addressing its social role towards families, the elderly and people with disabilities, by ensuring that they can all be mobile. “That’s why Q-Park and other operators are working with local authorities to let them use the unused capacity in car parks during off-peak periods, like the evening and night.”

### **Digitisation of the car parks sector’s services results in cities being more liveable**

Bas Magielse asked if further digitisation of the parking sector could have an important impact on ensuring cities remain liveable, given the increasing pressure on cities’ infrastructure due to continuing urbanisation and the increasing number of cars.

“The current expectation is that the populations of some European cities may even double,” Rutger Schuur said. “Car parks can play a role in managing inner-city traffic congestion. At ParkBee we’re trying to open existing private car parks to the public, which would otherwise be closed. To a lesser extent, this helps solve the traffic congestion caused by cars looking for a parking space.”

**“We do have to change the way we are managing the car movements in our cities to increase the city’s liveability. One way is digitisation, but more important is that car parks must become more than places to only leave cars.”**

Rutger Schuur continued by stating that in fact 15% of inner-city traffic consists of cars looking for a parking space. “Digitisation is key to reducing the volume of search traffic, to ensure less car movements and congestion in the city.”

### **Adding more functions to car parks means less traffic movements**

Tim Vreeken asked the industry experts if the need to reduce car movements in the city centre could pose a risk to the very existence of inner-city car parks. Fred Wilkes said he considers this risk to be limited considering the key role that accessibility has in ensuring cities remain liveable.

“The number of cars in the Netherlands increased by 70% over the past 20 years and the required amount of parking spaces has not and is not expected to decrease,” he said. “However, we do have to change the way we manage car movements in our (inner-)cities to increase liveability. One way is digitisation (i.e. pre-booking turns search traffic into destination traffic), but more importantly, car parks must become more than just a place to leave a car.”



On top of the traditional car park role, car parks can also function as a mobility hub, by offering shared electric scooters or cars, he said. "In addition, both regular and fast EV charging can be facilitated in car parks as well as urban logistics (i.e. last mile logistic services) such as parcel delivery and pick up points. Adding more functions like these could reduce car movements in the city."

Behind the scenes, car parks and shared transport providers talk a lot about the opportunities, said Carlo Barten. "They're not a natural mix as they have conflicting financial models," he said. "We make money when a car is parked, and the shared transport providers make money when a vehicle is driving. We are now looking together at what model is advantageous to both. At this point, not enough has been achieved in terms of mobility hubs, but a lot is being explored. Within one year, Q-Park, and APCOA will have a lot of great things lined up in terms of mobility hubs".

Fred Wilkes highlighted Q-Park's multi-million investment to add more functions to five existing car parks. "At one project in the centre of The Hague (at the Amsterdamse Veerkade), we have already placed about 1,200 solar panels on the roof and linked them to batteries to make the car park self-sufficient and able to use its own energy at night. Q-Park partnered up with The Hague's city authorities and Shell to facilitate

bicycle parking, to install six fast and 36 regular EV chargers for shared e-mobility/shared electric cars, to develop a kiosk and a workplace for people waiting for their EV to charge, to set up 240 spaces for electric scooters and to help the municipality combat street clutter and implemented urban logistics services for the people living in The Hague's city centre."

Carlo Barten also addressed the topic of shared bicycles and electric scooters cluttering up the city's streets. "At the moment, local authorities want the shared scooters to remain visibly parked on pavements, so everyone is able to get used to the concept. And if you make shared electric scooters companies pay for parking now, you would kill the concept. However, shared mobility alternatives will eventually move into car parks because it is not a sustainable business model for local authorities to replace income-generating on-street car parking with shared scooter parking."

The APCOA director went on to say some statistics indicate that the number of bicycles in Rotterdam will increase tenfold. "What will happen if everyone parks their bicycle at the entrance of a shop? My expectation is that a lot of people will complain about blocked pavements and therefore this will have to be regulated as well. Bicycles might eventually have to be parked in mobility hubs."

## Conclusion

In conclusion, the experts agreed that continued urbanisation and pressure on inner cities, as well as the transition to EVs, bring opportunities for car parks to further facilitate the liveability of our cities. Q-Park, APCOA and ParkBee as commercial car park operators are ready for these opportunities, and so is Primevest Capital Partners as an investment partner.

Primevest Capital Partners continues to work on facilitating investment products in the car park sector and will embrace the future changes in the mobility landscape in its investment strategies while at the same time keeping a close eye on the quality and sustainability in our cities.

## About Primevest Capital Partners

Primevest Capital Partners is a pan-European investment boutique that specialises in investments in innovative real assets, such as car parks, residential real estate and communication infrastructure. In 2021, Primevest acquired Holland Immo Group to strengthen each other's networks. From our offices in Utrecht, Eindhoven and Berlin, a team of 65 professionals manages more than EUR 3 billion of real assets across 12 European countries, of which EUR 1.8 billion is invested in European car parks. In total the group initiated over 60 funds, of which 29 currently active.



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