

**Report to General Manager**

Attachments:

1. Existing Carpark Layout Diagrams

SUBJECT: Transfer of Ward Street Carpark Back to Council Ownership and Operation**AUTHOR:** Cameron Sim, Manager Parking Stations**ENDORSED BY:** Duncan Mitchell, Director Engineering and Property Services**EXECUTIVE SUMMARY:**

The Ward Street Carpark is located off Berry Street in the North Sydney Centre. The Carpark has a capacity of approximately 550 spaces across four levels. The carpark is currently leased to Wilsons Parking who operate the carpark with a mix of leased permanent spaces, casual parking spaces and Earlybird parking.

The carpark is constructed on land leased by Council under a 50-year lease that commenced in August 1970. That lease expires in August 2020, and the ownership and operation of the carpark returns to Council.

The purpose of this report is to outline to Council the process required for the transfer of Ward Street Carpark back to Council ownership and operation in August 2020, at the conclusion of the 50-year lease that is presently held by Wilson Parking 1992 Australia.

The Ward Street carpark site is currently subject to a Master Planning process which is being undertaken by Council's Strategic Planning Department and is the subject of a separate Council Report that will be presented to Council tonight.

FINANCIAL IMPLICATIONS:

Financial considerations and implications of this project are addressed separately in the Confidential Memorandum that accompanies this Report.

Comment by Responsible Accounting Officer:

The proposed capital budget allocation for this Project will be reported to Council through the Q1 financial report in the 2019/20 financial year.

RECOMMENDATION:

1. THAT Council endorse the transfer of the Ward Street Carpark back into Council's Parking Stations business unit at the expiry of the current lease in August 2020, for ongoing operation as a public parking station until such time as the carpark site is redeveloped.

2. THAT Council note that the proposed capital budget allocation for this Project will be reported to Council through the Q1 financial report in the 2019/20 financial year.

LINK TO COMMUNITY STRATEGIC PLAN

The relationship with the Community Strategic Plan is as follows:

- Direction: 2. Our Built Infrastructure

- Outcome: 2.1 Infrastructure and assets meet community needs
2.4 Improved traffic and parking management

BACKGROUND

Council formally entered into a 50-year lease with Verco Properties Pty Ltd (Verco) with the first Head Lease commencing on 24 August 1970. Verco undertook to construct and operate the Ward Street carpark in stages and accordingly the Second Head Lease commenced on 2 February 1981.

In 1990 Verco assigned its interests under the Head Leases to Perpetual Trustee Co. Limited (Sub-Lessor). On 5 May 1992, Perpetual Trustee Co. Limited subleased the premises to Wilson Parking 1992 Australia. In June 2000, the Head Leases were assigned to Wilson Parking 1992 Australia.

CONSULTATION REQUIREMENTS

Community engagement will be undertaken in accordance with Council’s Community Engagement Protocol.

SUSTAINABILITY STATEMENT

The following table provides a summary of the key sustainability implications:

QBL Element	Assessment Details
Environmental Implications	The environmental implications (positive and negative) of the proposed project are as follows: <ul style="list-style-type: none">• Negative:<ul style="list-style-type: none">○ Transferring ownership to Council does not address reducing private motor vehicle use in the short-term.• Positive<ul style="list-style-type: none">○ Council has the opportunity to reduce existing energy consumption through energy efficiency initiatives such as those already in place at other Council parking facilities.○ This carpark will be fitted with electric vehicle re-charging stations.

Social Implications	The social implications (positive and negative) of the proposed project are as follows: <ul style="list-style-type: none">• Positive:<ul style="list-style-type: none">○ Council will install better quality, lower-energy LED lighting in the facility and in Ward Street which will improve lighting and increase public amenity and safety.
Economic Implications	The economic implications (positive and negative) of the proposed project are as follows: <ul style="list-style-type: none">• Positive:<ul style="list-style-type: none">○ The carpark will bring additional income to Council, with little additional operational costs to the Parking Stations Business Unit.
Governance Implications	The governance implications (positive and negative) of the proposed project are as follows: <ul style="list-style-type: none">• Positive:<ul style="list-style-type: none">○ The Project will address Strategic Plan - 2.4.3 – Provide integrated and efficient on-street and off-street parking options in residential and commercial areas.○ The equipment required to integrate the parking stations operations, will be procured under Contract 28/2017 which made provision for this procurement in a separable part, and funded from the Plant Reserve (as items of plant and equipment).

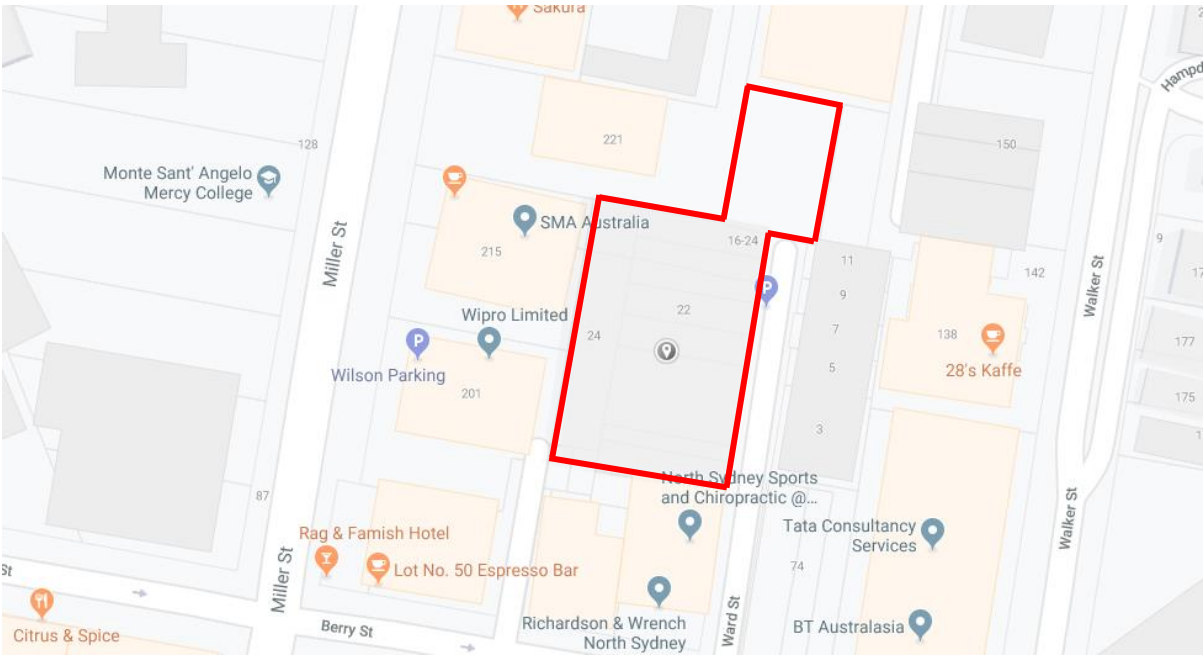
DETAIL

Carpark Information

The Ward Street Carpark comprises approximately 550 parking spaces across four levels. The carpark operates with a mix of leased permanent spaces, casual parking spaces and Earlybird parking. At this stage it's not known how many spaces are leased to permanent account tenants, as the current operator (Wilson's Parking) will not release this information to Council.

A site inspection was undertaken by Council's Parking Stations Manager in July 2019 and it was noted that approximately 25% of the spaces – the entire rooftop level – is available for Earlybird parking. It can be assumed that like Council's own Ridge Street Carpark, up to 50% of the parking bays are leased to permanent account tenants, leaving a balance of about 25% of spaces available for Casual Parking.

The Ward Street carpark site is currently subject to a Master Planning process which is being undertaken by Council's Strategic Planning Department and is the subject of a separate Council Report that will be presented to Council tonight.



Map 1: Location of the Ward Street Carpark – entry at the northern end of Ward Street – off Berry Street.

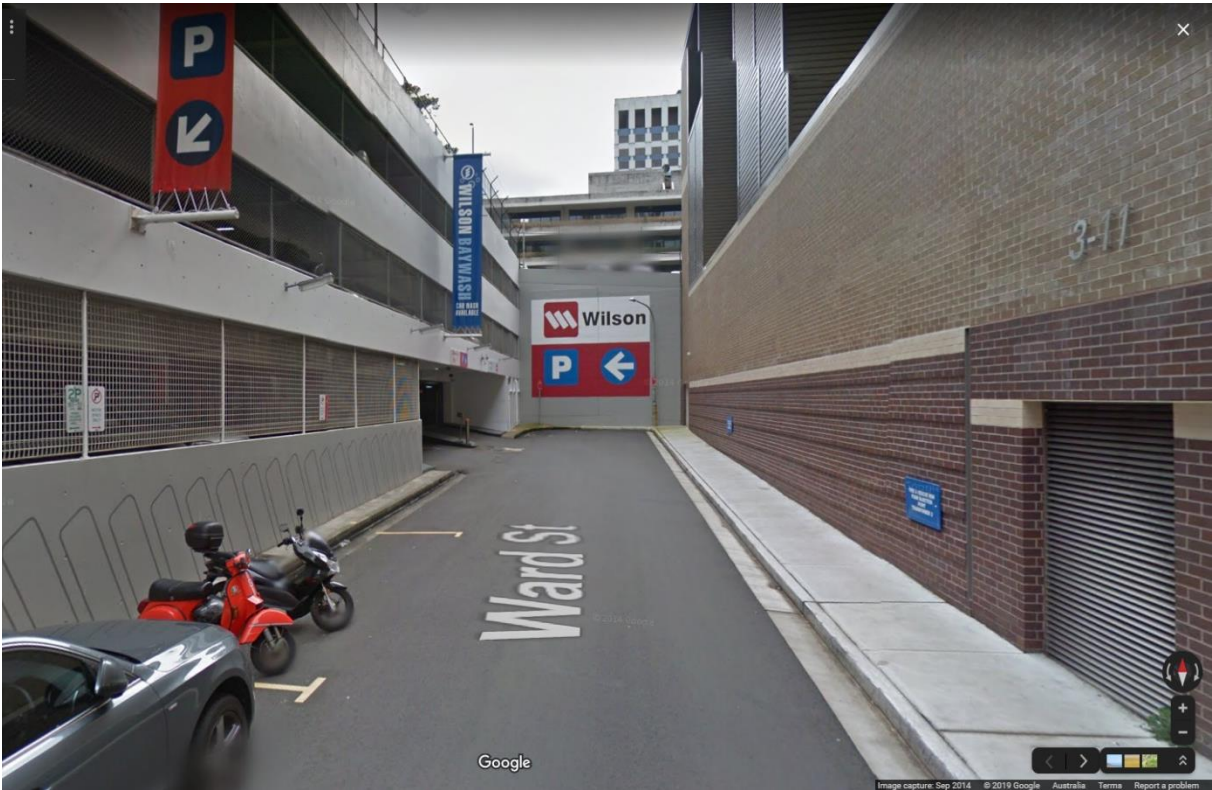


Photo 1. View to the entry of the carpark from the northern end of Ward Street – off Berry Street

Current Wilson Parking Fee Structure

Wilson Parking currently advertised fees and charges for 2019/20 are as follows:

- 0 – ½ hr - \$ 9.00
- ½ - 1 hrs - \$19.00
- 1 – 2 hrs - \$35.00
- 2 – 3 hrs - \$45.00
- 3 – 4 hrs - \$50.00
- 4 + hrs \$55.00

- Earlybird - \$25.00
- Night Rate - \$10.00 (flat rate)
- Weekend - \$10.00 (flat rate)

Permanent Parking fees are not advertised and are probably subject to a negotiated amount depending on numbers being leased by the tenant. Recent research indicates that Wilson Parking are charging around \$490 per month for a parking space, for regular permanent parking, and up to \$669 per month per space for reserved (signposted) parking.

The current size of the building footprint is approximately 4200m². One section of the carpark at the northern end, overhangs Council property in Harnett Street. The entry and exit to the carpark are situated at the very northern end of Ward Street itself.

Project Overview

The key objective of this Report is to outline to Council what is required to have the Ward Street carpark operating as a Council Carpark as quickly as possible once it comes back to Council's ownership in August 2020.

The following points summarise what is required to ensure that the Ward Street carpark becomes operational as a North Sydney Council Carpark as quickly as possible.

- Negotiating terms of handover with Wilson Parking, including:
 - Preparation of a Building Structure and facilities condition audit in accordance with the "Make Good" terms of the lease;
 - Terms of "Early access" for inspection and installation works by Council (if any) for Carpark operation purposes;
 - Establishing a strategy and process for the handover / transfer of existing parking leases from Wilson Parking to Council.
 - Building the NSC IT network to connect the Ward Street Carpark into Council's internal network and Carpark operations;
 - Decommissioning works and demolishing the old carpark booth and associated infrastructure along with the removal of redundant cabling (to be done by Wilsons).
 - Potential adjustment of the exit area.
 - Installing Council-owned boomgate and payment equipment, with new power supplies and cabling back to equipment room;
 - Adding the Ward Street Carpark into Council's Parking Stations Business Unit for internal management and operation;
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- Establishing the Ward Street Carpark as a Council asset;
- Adding NSC signage and branding to the carpark;
- Sundry works including any other minor required refurbishment or upgrades such as painting, lighting and cleaning.
- Establishing all relevant property Asset Management requirements for Council’s insurances purposes, fire protection and egress audit for Council’s Risk Management and Public Liability requirements.

Liaison with all relevant Business units in North Sydney Council is necessary to ensure that the property is successfully transferred back into Council’s Property Portfolio. Liaison is required with:

- Council’s Works Depot (Carpark Business Unit and Manager Parking Stations);
- Property Department (Property Manager);
- Finance Department (Finance Manager);
- Legal and Risk Department (Risk Manager and Legal Officer); and
- Council’s Communications Department and Customer Services.

Project Program “Draft”

Tasks and Deliverables	Target Date	Responsible Officer
1. Prepare Project Scope and Project Plan to determine resources and budget required to deliver the Project by August 2020.	July - August 2019	NSC Director of Engineering and Property Services. NSC Manager Parking Stations NSC Property Manager Now complete – August 2019
2. Establish “draft” NSC Fees and Charges structure for the Ward Street Carpark	August 2019 – Presentation to Manex Fees and Charges process.	Manager Parking Stations Now complete – August 2019
3. Project Scope, Project Plan and Project Budget to be endorsed by Manex	August 2019	Now complete – August 2019
4. Report to Council on the transfer of the Carpark back to Council operation.	September 2019	NSC Director of Engineering and Property Services. NSC Manager Parking Stations NSC Property Manager
5. Undertake Structural Survey and Condition audit Inspection	September – October 2019	NSC Property Manager – Property Management Agents – Colliers

Report of Cameron Sim, Manager Parking Stations
 Re: Transfer of Ward Street Carpark Back to Council Ownership and Operation

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Tasks and Deliverables	Target Date	Responsible Officer
6. Establish a capital budget allocation for this Project. The budget will be reported to Council through the Q1 financial report in the 2019/20 financial year. The establishment of a Project Budget is required so that the Parking Stations Business Unit can begin the procurement and ordering process for all required plant and equipment.	October - November 2019	Director of Engineering and Property Services.
7. NSC Finance is to establish a new Cost Capital Centre for the project	November 2019	NSC Finance Manager
8. Ordering and Procurement of all Plant and Equipment	December 2019 – May 2020	NSC Manager Parking Stations - NSC Property Manager
9. Plan execution of minor remediation works – focus on completion by Wilson Parking (if possible)	Early 2020	NSC Manager Parking Stations - NSC Property Manager
10. Build network connection	15 June 2020	NSC IT Department
11. Establish network security	15 June 2020	Network Security Officer
12. Establish Merchant with CBA for Carpark devices (APM and Exit Gate – 2 merchants required, as per profile for existing sites).	15 July 2020	NSC Manager Parking Stations / Finance Department
13. Install boom gate and payment equipment <i>alongside</i> existing equipment.	15 August 2020	Manager Parking Stations / Carpark Equipment Contractor
14. Install CCTV Cameras and cabling, including commissioning onto existing systems	15 August 2020	Manager Parking Stations / Carpark Equipment Contractor / NSC IT Department
15. Commission and connect new boom gate and payment equipment, including float and configuration on Ybern software.	15 August 2020	Manager Parking Stations / Carpark Equipment Contractor / NSC IT Department
16. Obtain parking lessee details and register onto NSC system.	Completion by 15 August 2020 Commenced and ongoing from December 2019	Manager Parking Stations
17. Cut-over operation to New, NSC equipment	23 / 24 August 2020.	Manager Parking Stations / Carpark Equipment Contractor.
<p>Note: If Wilson Parking choose not to grant access to the facilities for preparation and installation of NSC network and parking equipment, then all physical installation will occur <i>after</i> handover. This will result in a further one to two weeks being required to achieve fully operational status.</p>		