

ADMINISTRATOR'S MINUTE

4 September 2017

Minute Number: 32

Car Parking - Hurstville

There is concern at a number of recent decisions which have resulted in a reduction of spaces available to the community in the MacMahon Street/Patrick Street car park and the reduction of free parking under the Waratah Private Hospital.

Mr Don Heap made a presentation on the issues to the meeting of Council held on 7 August 2017. Mr Heap also presented a petition to the Administrator and General Manager on 17 August 2017.

"We the undersigned petitioners request for;

The Administrator, John Rayner, of Georges River Council to revert the present Waratah Private Hospital car parking arrangements of one free hour & rates to the previous car parking arrangements of three free hours & lower rates at the next council meeting on 4 SEPTEMBER 2017."

The petition contained 239 signatures and is hereby tabled.

Council has also received many complaints from residents about the general lack of parking in Hurstville.

MacMahon Street/ Patrick Street Car Park

Following the co-location of administrative and technical staff to Hurstville Civic Centre, the western section of the MacMahon Street/Patrick Street Car Park was closed to the public initially between the hours of 6am to 6pm and currently from 6am to 4pm (Monday to Friday) to accommodate authorised vehicles which are required throughout the day for Council business.

This decision meant that 33 spaces were not available for public use between those hours on weekdays.

Negotiations have been underway since May 2017 and arrangements have now been negotiated with the owners of the Waratah Hospital Car Park to occupy under licence 50 spaces at an annual cost of \$99,000. This means that almost immediately the MacMahon street spaces can be made available to the community, providing 3 hour free parking at the times available in the adjacent car park.

Public Car Parking – Waratah Hospital

There is quite a history associated with public parking in the car park below Waratah Hospital. The site was originally an at grade car park providing approximately 100 spaces.

I have been advised that:

1. Prior to the construction of the hospital, Council owned the corner of Dora Street and Queens Road, using the site as an at grade car park.
2. In 2006, Council resolved to sell the Dora Street car park to Cortez Enterprises subject to the provision of 150 public car spaces, ground floor retail space and 30 retail car spaces to Council.
3. The sale of the land was undertaken at full commercial rates; i.e.: the sale price was not discounted to offset the requirements for public car parking to be provided in the new development, as it was understood that all of the public car spaces would be managed as a commercial (paid) car park.
4. Council is the owner of a 150 public car parking spaces located below the Waratah Private Hospital Hurstville. The car spaces are situated on basement levels B2, B3, B4 and B5. In addition to the Council owned parking, the Hospital, as part of its development consent, had to make an additional 100 car parking spaces available for public and patients/visitor parking (operated as a commercial car park).
5. In June 2006, Development Approval was granted:
 - Clause 148: *“A total of one hundred and ten (110) car spaces of the three hundred and fifty (350) car spaces required to satisfy the parking demand for the building shall be offered by the applicant to be managed by Hurstville City Council as public parking spaces, in addition to the one hundred and fifty (150) public parking spaces proposed in this application.”*
NOTE: there was no specific requirement in the approval for free parking hours.
6. In January 2010 Council wrote to the owners of the Hospital that its requirement was for paid parking on the site with 1 hour free only.
7. When the hospital was constructed (circa 2011) the underground car park provided the public with 1 hour free parking with commercial rates charged thereafter.
8. The development consent did not specify any parking rates or a time component associated with the reinstated public parking at this facility (only

that it was to be managed by Council). Note: Council has never managed the spaces.

9. In June 2013, Council resolved to extend the free parking from 1 hour to 2 hours. These fees were advertised in accordance with the Local Government Act 1993 and put in place.
10. The owner (a consortium Evolution Healthcare, Generation Healthcare REIT and Goldman Sachs which bought the hospital following the previous owner being placed into voluntary liquidation in 2013) agreed to the new arrangement, subject to Council paying compensation for any loss incurred by the owner for the additional free parking period.
11. On 5 November 2014, in response to Mayoral Minute #475, Council extended free parking to the first 3 hours. The public consultation to amend the fees and charges, as is required by the Local Government Act, did not take place. Negotiations with the owners of the building also did not occur.
12. Without a public consultation process, there was subsequently no formal opportunity for the owners to comment on the proposed changes – which was in any case not supported by the new hospital owners (the consortium).
13. However, in a sign of goodwill, the consortium agreed to the change in free parking (3 hours free) until February 2016, on the basis that Council would once again compensate them for the additional loss in revenue that would result from the change.
14. In February 2016, the former Hurstville City Council decided that it did not wish to change the 3 hour free arrangements and took decisions relating to management of the spaces. Council ceased any payment of compensation to the consortium from this point onwards.
15. In face of the mounting costs and revenue losses from the car park, and in relation to the management and operation of the car park, the consortium met with the General Manager on several occasions during late 2016 and early 2017. Most recently in June 2017, the consortium discussed the proposal to limit free parking and subsequently prepared a submission to the Georges River Operational Plan 2017-2018 that was on public exhibition at the time.
16. May-June 2017 – Draft Operational Plan on exhibition.
17. June 2017 – Operational Plan adopted with change of free parking hours from 3 hours to 1 hour on Monday – Saturday's.

Draft Operational Plan 2017/18

During the period the Draft Operational Plan was on exhibition, Generation Healthcare wrote to Council on 21 June 2017, outlining the business case for reducing the then current 3 hours to 1 hour.

This was reported to the Council meeting on 29 June 2017:

"6	21 June 2017	<i>Email from CBD property owner</i>	<i>Comment on proposed fees and charges for Waratah Private Hospital carpark</i>	<i>Requesting change to hourly and daily parking rates at Waratah Private Hospital carpark"</i>
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Appendix 3 included the following references:

- Page 221 – "the following textual changes are proposed"

"4.21	<i>Car parking – Waratah Private Hospital Metered Parking</i>	<i>Pricing Policy: Agreed to change daily and hourly rates consistent with the original development approval"</i>
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- Page 201 – "Response to issues"

"1 (one) submission received on fees and charges requesting change to hourly and daily parking rates at Waratah Private Hospital carpark.

Agreed to change parking rates consistent with the original Development Consent and to cover Council's annual costs of maintaining the public car parking spaces within the Hospital building."

The draft Operational Plan, adopted for exhibition, proposed a slight increase in hourly parking fees with no change to the 3 hour free period.

The report to the Council meeting on 29 June 2017, included:

"4.21	<i>Car parking – Waratah Private Hospital Metered Parking</i>	<i>Various</i>	<i>Various</i>	<i>Changes to hourly and daily parking rates"</i>
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The reporting of this important change to parking arrangements to the public and to the Council was inadequate and contrary to Council's "open and transparent"

approach. It gave no indication to the community or the Administrator that there was to be a change to the free parking period.

Development Consent

The original development consent for the building and public car park (June 2006), was inadequate in terms of the requirements for any free public car parking. Upon opening 1 hour free was provided in all public car spaces.

A section 96 application is currently before Council to vary the consent.

Condition 148 reads:

“A total of one hundred and ten (110) car spaces of the three hundred and fifty (350) car space required to satisfy the parking demand for the building shall be offered by the applicant to be managed by Hurstville City Council as public parking spaces, in addition to the one hundred and fifty (150) public car parking spaces proposed in the application.”

The proposed amendment as detailed below, will address the fact that the car park has always been managed by the consortium and reflects current practise:

“A total of one hundred and ten (110) car spaces of the three hundred and fifty (350) car spaces required to satisfy the parking demand for the building are public parking spaces (in accordance with the applicant’s offer made at the time development consent 2005/DA-607 was granted), in addition to the one hundred and fifty (150) public parking spaces in the building that are owned by Georges River Council.”

The application will go before IHAP in the future, however I will be proposing that the incoming Council provide its opinion on the proposal, having regard to Council’s legal advice on the matter.

Where To From Here

The relationship between the owners of the hospital and the Council has at times been strained.

There are a number of issues which need to be resolved between the parties and with good will can be agreed with fairness to each party.

Staff have commenced discussions with Generation Healthcare to negotiate future management and financial arrangements. The outcome will be reported to a future meeting of Council.

MOTION:

1. Minute be received and noted.

2. That the petition provided by Mr Heap be tabled.
3. That the Council delegate authority to the General Manager to finalise the specific terms of the Licence Agreement to occupy 50 spaces in the Waratah Hospital car park for parking of authorised Council vehicles.
4. That the General Manager hold discussions with Generation Health with a view to negotiating future management, financial and other arrangements associated with the operation of the public parking below Waratah Hospital and the outcome reported to a future meeting of Council.
5. That the section 96 application (and accompanying legal advice) to vary the management responsibility for the public parking at Waratah Hospital be referred to Council for opinion.

John Rayner PSM
Administrator