

Lease Approval - Nita McCrae Park, 17 Argyle Street, Millers Point

File No: X073061

Summary

This report seeks Council's approval to enter into a lease with Transport for NSW over Nita McCrae Park, Millers Point, for a term of 99 years commencing on 1 July 2021.

Nita McCrae Park comprises three parcels of land - Crown Land and a street section, both managed by the City of Sydney, and a parcel of land owned by Transport for NSW.

This lease will allow the City to hold responsibility over Nita McCrae Park in its entirety, formalise the City's interest in this portion of Nita McCrae Park and potentially broaden the use of the park in response to community needs.

Essential lease terms and conditions of the proposed lease are shown at Confidential Attachment B.

As the lease term is longer than five years, Council approval is required for the City to enter into this lease.

Recommendation

It is resolved that:

- (A) Council approve the City entering into a lease with Transport for NSW for Nita McCrae Park (17 Argyle Street, Millers Point, Folio Identifier 1/1175372) for a term of 99 years; and
- (B) authority be delegated to the Chief Executive Officer to negotiate, execute and administer the terms of the lease in accordance with Attachment B to the subject report.

Attachments

Attachment A. Location Plan

Attachment B. Essential Lease Terms and Conditions (Confidential)

Background

1. Nita McCrae Park is located at 17 Argyle Street, Millers Point, as detailed at Attachment B. Nita McCrae Park serves as an entry way to Abraham Mott Hall, Abraham Mott Community Space, Millers Point Community Garden and Harry Jensen Community Centre, which are located on the adjacent Crown Land.
2. The park totals 922 square metres and comprises:
 - (a) 5010 Argyle Street, Millers Point, which is owned and maintained by the City of Sydney;
 - (b) 17 Argyle Street, Millers Point, which is owned by Transport for NSW and maintained by the City of Sydney; and
 - (c) 2 Watsons Road, Millers Point, which is owned by the NSW Government and is managed by the City of Sydney as Council Crown Land Manager.
3. The portion of Nita McCrae Park owned by Transport for NSW totalling 373 square metres is the subject of this lease and has been maintained by the City for many years.
4. There is currently no formal agreement in place to recognise the City's interest in this portion of land (ongoing use as a park). The City is of the view it should enter into a lease with Transport for NSW to formalise the maintenance obligations; to allow sub licence opportunities to broaden use of this park and to apply consistency of operation with the neighbouring parcels of park land already formally under the control of the City.
5. The park is best described as a pocket park, featuring open turf areas for passive recreation, a playground, pathways, seats and a drinking fountain. There are trees of varying ages and canopy providing shade for turf and playground areas.
6. Formerly known as the Argyle Street Playground, in 2017, the park was renamed Nita McCrae Park after the local resident and founding member of the Millers Point Resident Action Group. Nita McCrae mobilised the local community to protest against local development and enlisted the assistance of the Building Labourers Federation to impose a green ban on the Millers Point precinct and bring works to a halt.
7. In 2017, the park was upgraded and is currently defined as in "Good" condition. The City has managed this pocket park since the upgrade in accordance with the City of Sydney's parks and open space service levels.
8. In 2020, the City approached the land owner, Transport for NSW, with a proposal that the City formally assume responsibility for the park. The agreed terms of the proposed lease are detailed at Attachment B.
9. Entering into a lease will permit the City to formalise the management of the park and provide greater flexibility to enter into use agreements for the park that comply with the permitted use, "recreational and community purposes", and City policies and procedures.

Key Implications

Strategic Alignment - Sustainable Sydney 2030

10. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This report is aligned with the following strategic directions and objectives:
 - (a) Direction 6 - Vibrant Local Communities and Economies - Nita McCrae Park provides space for community use, including for picnics and for families to use the playground. It also provides increased amenity for users of the co-located community centre and spaces. Management of the park by the City will enable increased ownership of the space by the community and the ability to activate the space for programming and other activities.
 - (b) Direction 10 - Implementation through Effective Governance and Partnerships - this lease is another example of local and State government working together to improve land use opportunities for the local community.

Organisational Impact

11. The City has been maintaining Nita McCrae Park for over three years and will continue to do so for the term of this lease to the City's service standards.

Social / Cultural / Community

12. Management of the park by the City will enable increased utilisation of the space by community groups and the ability to activate the space for programming and other activities, including cultural activities celebrating Aboriginal and Torres Strait Islander communities.

Financial Implications

13. Costs to maintain Nita McCrae Park are currently included in the existing and future years operational budgets. Approving the lease would not require additional operational funding.

Relevant Legislation

14. Local Government Act 1993 - Section 10A provides that a council may close to the public so much of its meeting as comprises the discussion of information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business.
15. Attachment B contains confidential commercial information and details which, if disclosed, would confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business.
16. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.

Critical Dates / Time Frames

17. The proposed lease with Transport for NSW will be effective 1 July 2021.

Options

18. An alternative option is to continue with current arrangements (no formal agreement). This is not recommended because the absence of a formal lease agreement prohibits the City from expanding the use of the park under periodic casual use agreements as desired by the local community.

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