

CONFIDENTIAL

DECISION REPORT

REPORT TITLE: REVOCATION OF COMMUNITY LAND
CLASSIFICATION AND PROPOSED
DISPOSAL OF LAND - LOT 502 DOVER
STREET, MALVERN

ITEM NUMBER: 398

DATE OF MEETING: 22 FEBRUARY 2016

AUTHOR: ALANA FABER

JOB TITLE: PROPERTY SERVICES CO-ORDINATOR

1. EXECUTIVE SUMMARY

The subject land is known as Lot 502 Dover Street, Malvern (Certificate of Title Volume 5381 Folio 56). The land is a narrow strip that is approximately 102m² and is of dirt construction – previously formed part of Balmoral Lane (see attachment 1 plan). It is currently classified as 'Community Land', therefore any potential sale is initially dependant on the revocation of the Community land status.

Further to the Council Decision at its Council Meeting on 26 October 2015 (Item 285 – see attachment 2 copy of Council report) the Minister for Planning has approved Council's request to revoke the Community Land status for the land at Lot 502 Dover Street Malvern.

To proceed, Council are now required to formally resolve to revoke the Community Land status.

Additionally, the report seeks approval for Administration to proceed with negotiations to sell the land known as Lot 502 Dover Street, Malvern to the adjacent owner at 1 Dover Street, Malvern.

2. RECOMMENDATION

MOVED:

SECONDED:

That:

- 1. The report be received.**
 - 2. Council revoke the Community Land classification on the Council land known as Lot 502 Dover Street, Malvern (Certificate of Title Volume 5381 Folio 56).**
 - 3. The Administration be given approval to proceed with negotiations to sell Lot 502 Dover Street, Malvern to the adjacent owner at 1 Dover Street, Malvern based on a new market valuation – plus /minus 10% plus costs incurred.**
 - 4. The Chief Executive Officer is delegated authority to formalise the sale and transfer documentation.**
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1. RELEVANT CORE STRATEGIES/POLICIES

Local Government Act 1999 – Section 194(3)(b)
Organisational Excellence – 5.3 Good Governance and Legislative Framework
Organisational Excellence – 5.5 A Financially Sustainable Approach to Business and Planning Activity

2. DISCUSSION

As part of a formal and staged process that has involved significant public consultation to date, Council resolved (Item 285/15) to formally request that the Minister for Planning support the revocation of the Community Land classification on the Council land known as Lot 502 Dover Street, Malvern.

The Minister's response was received on 23 December 2015 supporting the revocation initiative (see Attachment 3).

To complete this process, Council must now resolve to revoke the Community Land classification on Lot 502 Dover Street, Malvern and endorse the commencement of sale and transfer negotiations.

Given the size of the subject land and its location the obvious person to sell the subject land to is the adjacent owner at 1 Dover Street, Malvern. Before starting the negotiations for the possible sale to the adjacent owner, advice has been sought from Council's Planning Department regarding any implications the sale of the subject land has if it is sold to the adjacent owner (see Attachment 4 – Memo).

Any negotiations for the sale of the subject land will be undertaken in accordance with Council's Disposal of Surplus Non Community Land Policy and will include having a new market valuation of the land, (including consideration of the effect the attachment of the surplus land will have on the value of the private land), undertaken to determine an accurate figure to start negotiations.

3. ANALYSIS OF OPTIONS

Option 1 – Council revoke the Community Land classification on the Council land known as Lot 502 Dover Street, Malvern (Certificate of Title Volume 5381 Folio 56).

The Administration is given approval to proceed with negotiations to sell Lot 502 Dover Street, Malvern to the adjacent owner at 1 Dover Street, Malvern at valuation – plus /minus 10% plus costs incurred.

The Chief Executive Officer is delegated authority to formalise sale and transfer documentation.

Council has previously resolved to undertake the process leading to revocation of the Community Land classification on the portion of land. To finalise that process, Council needs to make a resolution to allow for formal revocation of Community Land status and for negotiations to commence for the sale of the land.

Option 2 – Council not proceed with sale of land

Should Council decide not to finalise this revocation and sale of the Community Land, it would need to revisit the options of retaining the land as presented in the previous Council report (Item 285/15).

4. RECOMMENDED OPTION

Option 1 is the recommended option

5. POLICY IMPLICATIONS

5.1 *Financial/budget*

- A property sale of the subject land to the adjacent owner at 1 Dover Street would realise a once-off cash settlement equal to the property valuation (plus / minus 10%) and recovery of costs incurred to date. The revenue from the sale of this property was estimated to be in the order of \$50,000 – \$60,000 as per a valuation from August 2013 but this will be further developed as part of a new valuation that addresses the effect the attachment of the surplus land will have on the property to which it is to be attached (CoU Policy 116 – Disposal of Surplus Non Community Land, (3.3.C)

5.2 *Legislative/Risk Management*

- Nil

5.3 *Staffing/Work Plans*

- No additional staff will be required to implement the outcomes of this report

5.4 *Environmental/Social/Economic*

- Nil

5.5 *Stakeholder Engagement*

- Significant public engagement has occurred throughout the earlier stages of this process.

5.6 *Promotion / Communication*

- Nil

6. ATTACHMENTS

1. Plan of subject land
2. Council Meeting Report 26 October 2015 (Item 285)
3. Letter from Minister for Planning dated 23 December 2015
4. Memo from Councils Planning Department

7. Report Authorisers

| <u>Name</u> | <u>Title</u> |
|--------------------|--|
| John Devine | General Manager Assets and Environment |