

## 19.2 REDLAND AQUATIC AND EMERGENCY PRECINCT LAND EXCHANGE

### Objective Reference:

**Authorising Officer:** Peter Best, General Manager Infrastructure & Operations

**Responsible Officer:** Bradley Salton, Group Manager City Infrastructure

**Report Author:** Sven Ljungberg, Program Manager Aquatic & Emergency Precinct

**Attachments:** Nil

The Council is satisfied that, pursuant to Section 275(1) of the *Local Government Regulation 2012*, the information to be received, discussed or considered in relation to this agenda item is:

- (h) *other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.*

### PURPOSE

The purpose of this report is to:

- Advise Council of the withdrawal of Surf Life Saving Queensland (SLSQ) from the Memorandum of Understanding (MOU) between Council and SLSQ.
- Seek to repeal Clause 3 of resolution 19.5 dated 20 February 2019 and Clause 3 of resolution 19.5 dated 22 May 2019 as the requirement of Council freehold for Lot 1 CP910606, 37 Wellington Street, Cleveland is no longer a condition precedent to the Redland Aquatic and Emergency Precinct project.

### BACKGROUND

Council and SLSQ signed a MOU on 11 October 2017 to jointly redevelop the Redland Aquatic & Emergency Precinct.

As a condition precedent to the MOU, SLSQ required of a minimum of a 60 year lease over Lot 1 CP910606, 37 Wellington Street, Cleveland for its development purposes.

Lot 1 CP910606, 37 Wellington Street, Cleveland is currently a State owned trustee lease to Council. The maximum operational lease the State allows for land managed in trust is 30 years and for this reason Council undertook to investigate freehold acquisition of the Cleveland Aquatic Centre land from the State.

SLSQ advised Council on 4 July 2019 that due to a lack of financial commitment from State and Federal Governments it decided not to proceed with the project and would withdraw from the MOU.

### ISSUES

Council resolved on the 20 February 2019 (Item 19.5) as follows;

*Noting that this transfer is contingent upon SLSQ providing a letter to DNRME "confirming its commitment to the project and that the site and area Lot 1 CP910606, 37 Wellington Street, Cleveland is sufficient for its purposes.", Council resolves to:*

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

State Departmental policy (*Valuations for Dealings under the Land Act 1994. PUX/901/656, SLM/2013/488*) outlines that the relevant date of the valuation must not be older than 3 months as at the date of approval of the relevant action. The State advised Council on the 27 May 2019 updated valuation figures in respect to the land exchange as follows;

[REDACTED]

[REDACTED]

SLSQ advised Council on the 4 July 2019 they were withdrawing from the MOU, removing the condition precedent for the project, and negating the requirement for the freehold acquisition of Lot 1 CP910606, 37 Wellington Street, Cleveland by Council.

Council currently manages the land in trust on behalf of the State, the reserve being for Open Space and Recreation purposes. Council currently operates the pool on the adjacent lot, and can deliver its community service obligations without any change to the current land tenure arrangements.

Council may wish to consider the strategic merit of acquiring Lot 1 CP910606, 37 Wellington Street, Cleveland and allocate budget toward this in the future, however for present project requirements, this acquisition is no longer necessary.

**STRATEGIC IMPLICATIONS**

**Legislative Requirements**

There are no legislative requirements for this report.

## Risk Management

Lot 1 CP910606, 37 Wellington Street, Cleveland may have strategic merit for Council to acquire as a gift or land exchange in the future. Investigations to date have resolved Native Title extinguishment over the site thus enabling potential free holding of this lot.

Negotiations with the State for freehold acquisition have raised an expectations of an outcome, and in the interest of closing outstanding actions a Council position should be communicated to the State.

## Financial

There are no financial implications for this report.

## People

There are no staff implications for this report.

## Environmental

There are no environmental implications for this report.

## Social

There are no social implications for this report.

## Alignment with Council's Policy and Plans

There are no alignment issues associated with this report.

## CONSULTATION

| Consulted  | Consultation Date | Comments/Actions   |
|--|-------------------|--|
| General Manager<br>Infrastructure and Operations | 30/07/2019        | Progress a report to seek Council direction and enable response to State to either progress or cancel land exchange and close outstanding actions. |
| General Manager<br>Organisational Services       | 23/08/2019        | Note potential future strategic merit for acquisition by either gift or exchange in body of report.  |
| General Counsel                                  | 29/08/2019        | No legal obligation or issues arising out of withdrawal from land exchange negotiations with the State.  |

## OPTIONS

### Option One

That Council resolves as follows:

- To note the withdrawal of Surf Life Saving Queensland (SLSQ) from the Memorandum of Understanding (MOU) between Council and SLSQ.
- To repeal Clause 3 of resolution 19.5 dated 20 February 2019 and Clause 3 of resolution 19.5 dated 22 May 2019 as the requirement of Council freehold for Lot 1 CP910606, 37 Wellington Street, Cleveland is no longer a condition precedent to the Redland Aquatic and Emergency Precinct project.
- To advise the State that Council no longer wishes to pursue the freehold acquisition of Lot 1 CP910606, 37 Wellington Street, Cleveland.

4. That this report is published subject to redacting any private, confidential and commercial in confidence information.

### **Option Two**

That Council resolves as follows:

1. To note the withdrawal of Surf Life Saving Queensland (SLSQ) from the Memorandum of Understanding (MOU) between Council and SLSQ.
2. To not repeal Clause 3 of resolution 19.5 dated 20 February 2019 and Clause 3 of resolution 19.5 dated 22 May 2019.
3. To investigate the strategic merit of freehold acquisition of Lot 1 CP910606, 37 Wellington Street, Cleveland and advise the State that Council wishes to pursue the land exchange on terms that differ from the original negotiation.
4. That this report is published subject to redacting any private, confidential and commercial in confidence information.

### **Option Three**

That Council resolves as follows:

1. To not note the withdrawal of Surf Life Saving Queensland (SLSQ) from the Memorandum of Understanding (MOU) between Council and SLSQ.
2. To not repeal Clause 3 of resolution 19.5 dated 20 February 2019 and Clause 3 of resolution 19.5 dated 22 May 2019 as the requirement of Council freehold for Lot 1 CP910606, 37 Wellington Street, Cleveland is no longer a condition precedent to the Redland Aquatic and Emergency Precinct project.
3. To not advise the State that Council no longer wishes to pursue the freehold acquisition of Lot 1 CP910606, 37 Wellington Street, Cleveland.
4. That this report is published subject to redacting any private, confidential and commercial in confidence information.

### **OFFICER'S RECOMMENDATION**

**That Council resolves as follows:**

1. **To note the withdrawal of Surf Life Saving Queensland (SLSQ) from the Memorandum of Understanding (MOU) between Council and SLSQ.**
2. **To repeal Clause 3 of resolution 19.5 dated 20 February 2019 and Clause 3 of resolution 19.5 dated 22 May 2019 as the requirement of Council freehold for Lot 1 CP910606, 37 Wellington Street, Cleveland is no longer a condition precedent to the Redland Aquatic and Emergency Precinct project.**
3. **To advise the State that Council no longer wishes to pursue the freehold acquisition of Lot 1 CP910606, 37 Wellington Street, Cleveland.**
4. **That this report is published subject to redacting any private, confidential and commercial in confidence information.**