

19.5 DISPOSAL OF SURPLUS LAND

Objective Reference:

Authorising Officer: Graham Simpson, Acting General Manager Community and Customer Services

Responsible Officer: Donna Wilson, Acting Group Manager Environment and Regulation

Report Author: Damien Jolley, Senior Property Officer

Attachments:

1. Locality Map
2. Zone Map
3. Street View Photos

The Council is satisfied that, pursuant to Section 254J(3) of the *Local Government Regulation 2012*, the information to be received, discussed or considered in relation to this agenda item is:

- (g) *negotiations relating to a commercial matter involving the local government for which a public discussion would be likely to prejudice the interests of the local government.*

PURPOSE

To resolve to dispose of surplus Council-owned freehold land in Cleveland, via public auction or tender.

BACKGROUND

The property at 7 John Street, Cleveland described as Lot 3 on SP 143012 (the property) is located within the Cleveland CBD and is 656m² in area. Under the City Plan it is currently zoned Principal Centre and is subject to the Environmental Significance Overlay and Transport Noise Corridor Overlay.

Historically, the property has been used as a playground associated with the child care centre operated by the Lutheran Church of Australia QLD District (The Church) from adjoining properties 27 and 29 Waterloo Street, Cleveland.

In 2017, Council was made aware that the Church had determined to cease operation of the child care centre by the end of 2018, and would no longer require use of the property. The property has been vacant since 31 October 2018 following The Church formally surrendering its Licence to Occupy.

[REDACTED] who owns adjoining/surrounding properties [REDACTED] [REDACTED] has previously expressed an interest in the property on a number of occasions, indicating his purpose was to develop the property and amalgamate the land with his existing adjoining properties, to create one lot.

ISSUES

[REDACTED]

CBD Activation

The 2010 Cleveland Master Plan, a non-statutory document, identified this Property as a catalyst site as a government-owned “Public Opportunity site”. Amendments to City Plan have continued to support the principles surrounding this area. Major issues such as public parking and CBD activation remain a focus for Council in the Principal Centre.

To address these priorities through the sale process, tender documentation will include obligations surrounding development timetabling and seek to provision in the final design for public car parking spaces that may be lost. To reflect any potential changing focus in this part of the Principal Centre, and to ensure activation through an appropriate use, the tender process will also seek to include a requirement for applicants to detail their intended future purpose for the site. It is not a preferred outcome that the land would simply be acquired for land banking by any purchaser.

It is noted that there are a limited number of Council-owned sites remaining in the Cleveland CBD based on previous dispersal of sites to the Redland Investment Corporation. It is therefore important that any sale of Council-owned land delivers the best possible outcome to ensure CBD activation.

If an appropriate level of activation is not able to be achieved consideration needs to be given about the overall benefit of selling the land, noting the intention of any revenue will be to offset against other strategic land acquisitions.

STRATEGIC IMPLICATIONS

Legislative Requirements

Disposal of land is regulated by the *Local Government Regulation 2012*, and can be achieved through a tender or auction process, unless an exception applies.

Risk Management

Risk management issues have been addressed through Council's Risk Management Policy

Financial

The disposal of land will increase revenue to Council through a market value transaction. Agreement to dispose of land will also be on the basis that the cost of a sale is neutral, as far as practicable, to Council. Revenue generated from any sale will be managed by Council's Strategic Property Management Unit to be held for future strategic land acquisitions.

People

There are no implications on human resource policies, with work associated with the assessment and disposal utilising existing resources in the Property Services Unit.

Environmental

No environmental implications have been identified

Social

No social implications have been identified

Human Rights

There are no known human Rights implications associated with this report.

Alignment with Council's Policy and Plans

No non-alignment has been identified with Council's policies and plans.

CONSULTATION

Consulted	Consultation Date	Comments/Actions
Service Manager Strategic Planning	August 2020	No issues identified with the sale of this property
Group Manager City Assets	September 2020	No issues identified with the sale of this property
Group Manager City Planning and Assessment	October 2020	Property not being considered for car park planning opportunities
Division 2 Councillor	October 2020	No issues identified with the sale of the property however requested alignment to current CBD activation strategies

OPTIONS

Option One

That Council resolves as follows:

1. To dispose of the valuable non-current land asset by tender or auction, as per section 227 of the *Local Government Regulation 2012*.
2. To authorise the Chief Executive Officer to negotiate, make, vary and discharge any resultant contracts and related documentation to dispose of the land.
3. To hold any revenue from sale of the land for future strategic land acquisitions.
4. To maintain the report and attachments as confidential in accordance with any legal and statutory obligation, subject to maintaining confidentiality of legally privileged, private and commercial in confidence information until such time as the disposal is finalised.

Option Two

That Council resolves as follows:

1. That the valuable non-current asset is retained in Council ownership.
2. To maintain the report and attachments as confidential in accordance with any legal and statutory obligation, subject to maintaining confidentiality of legally privileged, private and commercial in confidence information until such time as the disposal is finalised.

OFFICER'S RECOMMENDATION

That Council resolves as follows:

1. **To dispose of the valuable non-current land asset by tender or auction, as per section 227 of the *Local Government Regulation 2012*.**
2. **To authorise the Chief Executive Officer to negotiate, make, vary and discharge any resultant contracts and related documentation to dispose of the land.**
3. **To hold any revenue from sale of the land for future strategic land acquisitions.**
4. **To maintain the report and attachments as confidential in accordance with any legal and statutory obligation, subject to maintaining confidentiality of legally privileged, private and commercial in confidence information until such time as the disposal is finalised.**



Attachment 2 - Zone Map 7 John Street



Attachment 3 - Street view - 7 John Street





