

Land Classification - 25 Mandible Street, Alexandria

File No: X036061.006

Summary

On 24 August 2020, Council endorsed the acquisition of 25 Mandible Street, Alexandria, and the notification of a proposed resolution to classify this land as operational land under the Local Government Act 1993.

The City completed the purchase of 25 Mandible Street, Alexandria, on 21 December 2020 and finalised an acquisition program that included 30 and 33-39 Mandible Street, Alexandria, endorsed by Council on 15 June 2020. These properties, together with the City-owned 41 Mandible Street, Alexandria, acquired in 2012, will be consolidated for future redevelopment as a recreational precinct within 500 metres of the Green Square Railway Station.

The properties at 30 and 33-39 Mandible Street, Alexandria, have been leased back to the vendor, Murrays Australia Pty Limited, with the City agreeing to similarly leaseback 25 Mandible Street, Alexandria, to the vendor, Concrete Pty Ltd.

A community land classification is intended to support the management of recreational open space and reserves. It is intended that once the properties comprising the larger development site are redeveloped by the City into a passive and recreational sporting precinct, Council's approval will be sought to reclassify the properties as community land.

Until the redevelopment of the site by the City is completed and the new recreational facility is operational, the application of a community land classification to the properties would be inconsistent with the management of the other City-owned land acquired for similar purposes.

The properties at 30 and 33-39 Mandible Street, Alexandria, were classified as operational land on 14 December 2020.

The proposed resolution to classify 25 Mandible Street, Alexandria, as operational land was publicly notified for an extended period of 36 days, commencing 23 December 2020 and closing 28 January 2021. No submissions were received.

This report recommends the endorsement of the operational land classification to the land at 25 Mandible Street, Alexandria.

Recommendation

It is resolved that Council classify the land known as 25 Mandible Street, Alexandria (being Lot 42 in Deposited Plan 789768), as operational land in accordance with section 31 of the Local Government Act 1993.

Attachments

Attachment A. Identification Plan

Background

1. On 15 June 2020, Council was briefed on the opportunity to acquire three contiguous sites adjoining the City owned property at 41 Mandible Street, Alexandria. Together, with a partial closure of Mandible Street, these properties have the potential to create a 23,000 square metre passive and recreational sporting precinct. Refer to Attachment A: Identification Plan.
2. On 29 June 2020, Council:
 - (a) endorsed the acquisition of 30 and 33-39 Mandible Street, Alexandria, and the leaseback of both properties to the vendor, Murrays Australia Pty Limited (Murrays);
 - (b) endorsed a proposed resolution to classify the properties at 30 and 33-39 Mandible Street, Alexandria, as operational land; and
 - (c) noted the negotiations with the vendor, Concrete Pty Ltd (Boral), for 25 Mandible Street, Alexandria, and endorsed in principle the acquisition of 25 Mandible Street, Alexandria, with a future report to Council to endorse the acquisition when commercial negotiations were finalised and a nonbinding heads of agreement was executed.
3. On 24 August 2020, Council endorsed:
 - (a) the acquisition of 25 Mandible Street, Alexandria, and the leaseback of the property to the vendor, Boral; and
 - (b) a proposed resolution to classify 25 Mandible Street, Alexandria, as operational land in accordance with section 31 of the Local Government Act 1993.
4. On 14 December 2020, Council resolved to endorse the classification of 30 and 33-39 Mandible Street, Alexandria, as operational land in accordance with section 31 of the Local Government Act 1993.

Classification of 25 Mandible Street Alexandria

5. On 21 December 2020, the City completed the purchase of 25 Mandible Street, Alexandria.
6. For the property to be classified as operational land under the Local Government Act 1993, the City is required to classify the acquired land within three months of the acquisition, being no later than 19 March 2021.
7. As the City has agreed to a leaseback to Boral as part of the acquisition of 25 Mandible Street, Alexandria, the property must be classified as operational land to enable this lease to be granted.
8. This approach is consistent with the classification of 30 and 33-39 Mandible Street, Alexandria, which was leased back to the vendor, Murrays.

9. A community land classification is intended to support the management of recreational open space and reserves. Until the redevelopment of the site by the City is completed and the new recreational facility is operational, the application of a community land classification to the properties would be inconsistent with the management of the other City-owned land acquired for similar purposes.
10. Once the properties comprising the larger development site are redeveloped by the City into a passive and recreational sporting precinct, Council's approval will be sought to classify the site as community land.

Key Implications

Organisational Impact

11. There is no organisational impact arising from this resolution to classify 25 Mandible Street, Alexandria, as operational land under the Local Government Act 1993.

Relevant Legislation

12. The following sections of the Local Government Act 1993 are relevant:
 - (a) Section 25 requires all public land to be classified as either community or operational land;
 - (b) Section 31(2) requires Council to classify newly acquired land as either operational or community land before the date of acquisition of the land or within three months from the date of acquisition of the land;
 - (c) in satisfaction of section 31(3), the proposed resolution is consistent with other Acts applying to the land; and
 - (d) Section 34 requires the proposed resolution to classify be publicly notified and made available for inspection by the public for a period of 28 days.

Critical Dates / Time Frames

13. The land must be classified by no later than 19 March 2021.

Options

14. If the land is not classified as operational land within three months of transfer to the City, it will revert to a community land classification in accordance with section 31(2A) of the Local Government Act 1993.
15. As the City has agreed to a leaseback to Boral as part of the acquisition of 25 Mandible Street, Alexandria, the property must be classified as operational land to enable this lease to be granted.

Public Consultation

16. The proposed resolution to classify 25 Mandible Street, Alexandria, as operational land was publicly notified for an extended period of 36 days, commencing 23 December 2020 and closing 28 January 2021.
17. No submissions were received.

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