



Notice of Commercial Services Committee Meeting

A Commercial Services Committee Meeting will be held in the Ballina Shire Council Chambers, 40 Cherry Street, Ballina on **Wednesday 16 November 2016 commencing at 5.00 pm.**

Business

1. Apologies
2. Declarations of Interest
3. Deputations
4. Committee Reports

A handwritten signature in black ink, appearing to read 'Paul Hickey', with a long horizontal line underneath.

Paul Hickey
General Manager

Table of Contents

1.	Apologies.....	1
1A.	Election of Chair	1
2.	Declarations of Interest.....	1
3.	Deputations	1
4.	Committee Reports.....	2
4.1	Bitupave - Request to Lease Area for Stockpiling	2
4.2	Zip Line Proposal	6
4.3	Sale of Council Land - 86 Plateau Drive, Wollongbar	19
5.	Confidential Session.....	23
5.1	Sale of Council Land - 86 Plateau Drive, Wollongbar	23

1. Apologies
 - 1A. Election of Chair
 2. Declarations of Interest
 3. Deputations
-

1. Apologies

Apologies have been received from Cr Sharon Parry and Cr Jeff Johnson.

1A. Election of Chair

2. Declarations of Interest

3. Deputations

4.1 Bitupave - Request to Lease Area for Stockpiling

4. Committee Reports

4.1 Bitupave - Request to Lease Area for Stockpiling

Delivery Program Commercial Services

Objective To seek Council's agreement to lease Part of Lot 2 DP 1130300, Tuckombil Quarry, Bitupave Ltd (Boral) for stockpiling purposes.

Background

Council has received a request from Bitupave (Boral) who currently lease Lot 1 DP 880416, Gap Road, Alstonville to lease an area adjacent to their premises for the purpose of stockpiling materials including clean aggregates and sand (see **attached** plan). The area of land sought by Bitupave is described as Part of Lot 2 DP 1130300, being the Tuckombil Quarry site.

Bitupave currently operate an asphalt batching plant on Lot 1 DP 880416 ("the Site") and have done so since the late 1970s. Council recently granted Bitupave a modified development approval that enables them to source raw materials for the production of asphalt from sources other than the Stokers and Tuckombil quarries.

Key Issues

- Commercial leasing arrangements

Information

Council owns Lot 2 DP 1130300, being the Tuckombil Quarry and the adjoining land described as Lot 1 DP 880416 leased by Bitupave who hold a five plus five year lease over the Site with approximately three years to run on the initial or first term of the lease.

Lismore City Council ("LCC") previously held a lease over the Tuckombil Quarry land which was recently terminated. LCC supplied material to Bitupave for their asphalt batching plant on an as required basis.

It is understood Bitupave and LCC had an arrangement regarding the use of part of Lot 2 DP 1130300 by Bitupave for stockpiling purposes.

Due to the termination of Council's lease with LCC and the quarry being dormant at present, Bitupave has obtained an amendment to their development consent to enable them to import materials from external sources.

To do so however, Bitupave need to stockpile imported materials as they do not have space available on their current site and have requested approval to lease a portion of the adjoining property comprising an area of approximately 5,600m², being Part Lot 2 DP 1130300 (Tuckombil Quarry).

4.1 Bitupave - Request to Lease Area for Stockpiling

Advice from Council's Development and Environment Health Group is that the development consent pertaining to the quarry provides for the stockpiling of material and as such Bitupave may rely on this consent.

Legal / Resource / Financial Implications

Legal

Council staff have sought legal advice regarding Bitupave's request for additional land to stockpile material to either vary their current lease or grant a separate lease over part of the Tuckombil Quarry Site being Part Lot 2 DP 1130300.

The legal advice received recommends a separate lease be granted for a term not exceeding the first term of the current Bitupave lease (three years from 1 January, 2016). The reason being that leases over land for a period of five years or longer require an individual title.

In the circumstances it is proposed a subdivision for leasehold purposes be undertaken to facilitate granting Bitupave a three year lease with a five year option over Part Lot 2 DP 1130300. This would enable Bitupave's current and proposed leases to run concurrently and provide long term certainty for their business.

Financial

Bitupave currently hold a lease over Lot 1 DP 880416 for a term of years commencing on 1 January, 2015 with an option for a further term of five years. The current rental is \$24,480 p.a. + GST for a site area of 9,833m² equating a rate of \$2.50/m² p.a. + GST.

At the time of preparing this report a rental proposal had been put to Bitupave seeking a rental of \$20,000 p.a. + GST for part of Lot 2 DP 1130300 comprising an area of approximately 5,600m² for stockpiling purposes. This proposed rental equates to a rate of \$3.57/m² p.a. + GST. A higher rental than the existing rental is being sought as part of this commercial negotiation.

If a response is received from Bitupave it will be tabled at the meeting.

Consultation

Council staff have been in discussions with Bitupave regarding their proposal to lease additional land for stockpiling purposes.

Support Operations who are responsible for managing Council's quarries have also been consulted in regards to this lease proposal and have no objections. Council's Development and Environment Health Group have also been consulted in regards to development consent conditions.

Options

1. Council resolves to grant Bitupave Ltd (Boral) a lease over Part of Lot 2 DP 1130300 for stockpiling purposes comprising an area approximately 5,600m² for a term concurrent with their current lease over Lot 1 DP 880416 expiring on 31 December, 2019, with an option for a further term of five years, at a commencement rental of \$20,000 p.a. + GST.
2. Council resolves to undertake a subdivision of Lot 2 DP 1130300 for leasehold purposes to facilitate granting a lease and option term a lease concurrent with the lease and option Bitupave Ltd hold over Lot 1 DP 880416, and that Bitupave Ltd be responsible for all costs associated with undertaking the leasehold subdivision.
3. Council resolves to reject the request from Bitupave Ltd for a lease over Lot 2 DP 1130300 for stockpiling purposes.

It is recommended that Council resolve to adopt options one and two as it provides Bitupave Ltd with certainty to continue operating their business for the remaining term and option period of their current lease agreement. Subject to finalizing an agreement with Bitupave on rental for part Lot 2 DP 1130300, Council's total rental return from the two sites would be in the order of \$44,480 p.a. + GST.

Option three is not recommended as it would create uncertainty for the ongoing operation of Bitupave's business on the site.

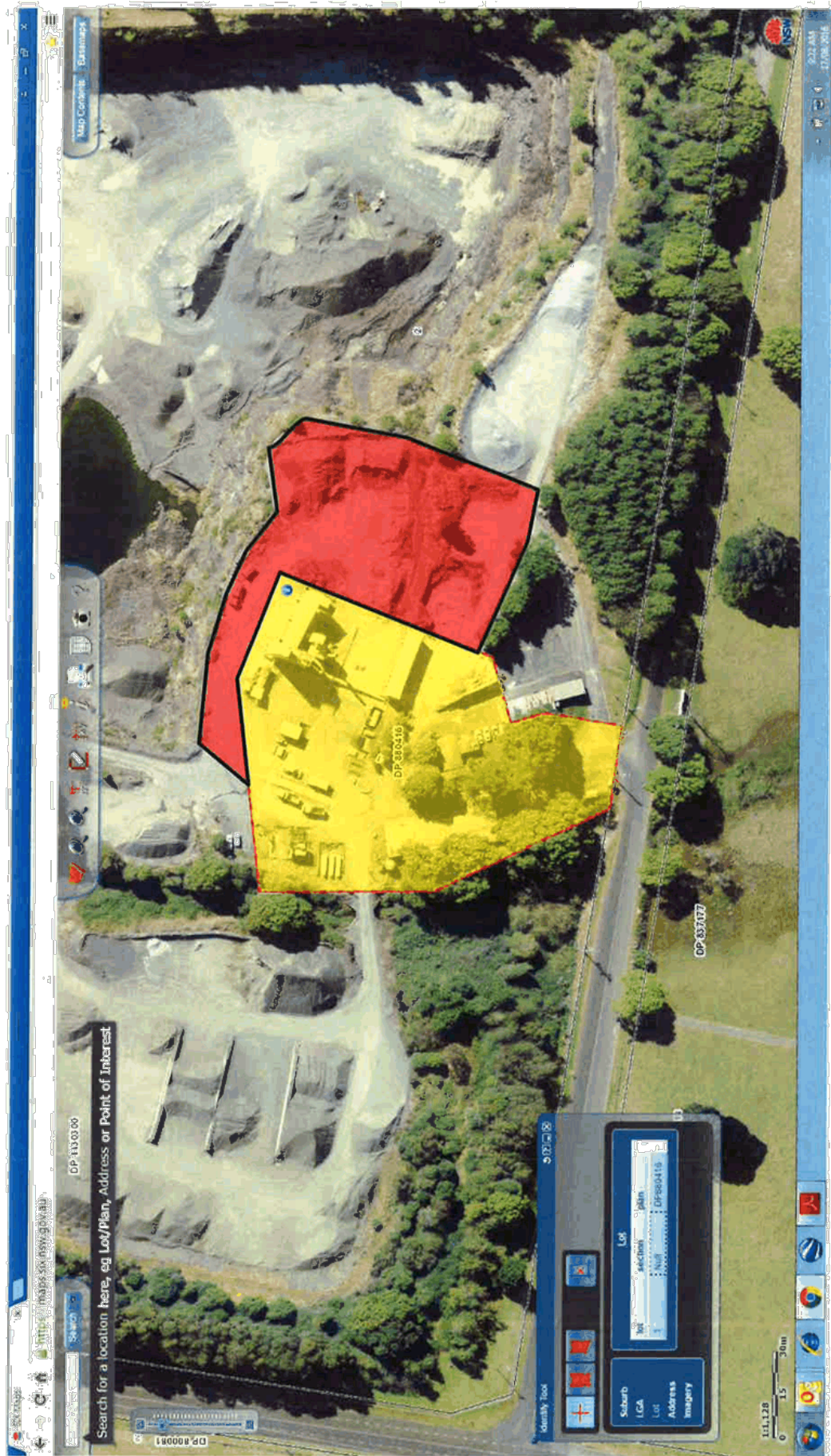
RECOMMENDATIONS

1. That Council resolves to grant Bitupave Ltd (Boral) a lease over Part of Lot 2 DP 1130300 for a term of three years with an option for a further term of five years for Part Lot 2 DP 1130300 for stockpiling purposes, at a commencement rate of \$20,000 plus GST.
2. That Council undertakes a subdivision of Lot 2 DP 1130300 for leasehold purposes to create an area of approximately 5,600m² as per the required lease area with Bitupave (Boral) responsible for all costs associated with the subdivision.
3. The General Manager is authorized to execute and fix the Council seal to all lease documentation, applications and plans of subdivision to facilitate leasing of Part Lot 2 DP 1130300 to Bitupave Ltd for stockpiling purposes.

Attachment(s)

1. Plan of Proposed Lease Area

4.1 Bitupave - Request to Lease Area for Stockpiling



4.2 Zip Line Proposal

4.2 Zip Line Proposal

Delivery Program Commercial Services

Objective To invite the Committee's consideration of a proposal for the Council to participate in the planning and establishment of a Zip Line facility within the coastal reserve at Lennox Head.

Background

Several months ago, Council was contacted by a local resident who presented a brief overview of a proposal for the establishment and operation of a recreational facility, referred to as a Zip Line, within prominent coastal land in Lennox Head.

The discussions which have taken place subsequently between the proponent and Council staff have been of a general nature relating to issues of permissibility, tenure and probity, given that community assets in the form of public land are involved.

On 5 May 2016 a number of Councillors and staff held an informal meeting with the proponent and one of his associates. They provided an overview of their project and discussed the attributes of our area and the attractiveness of the Lennox Head and Skennars Head coastline, which their proposal would both take advantage of, but also help to promote.

Given that this was a preliminary briefing to Councillors only, no decisions regarding the project were made or recorded.

In the intervening period, the proponents have had opportunities to hold discussions with other parties, including with a representative of Department of Primary Industries, Lands as well as a local planning consultancy.

The proponents have once again contacted Council with a request that a formal indication of support be provided.

They have also requested that Council substantially fund and coordinate processes to secure planning and other regulatory approvals required to enable the project to proceed to a construction phase.

The following report is intended to respond to the proponent's request and to briefly elaborate on the proposal to allow Council to come to a preliminary view concerning the project.

Key Issues

- Use of public land for a privately operated commercial enterprise
- Coastal sensitivities and values
- Commitment of community resources for a potential commercial opportunity

4.2 Zip Line Proposal

Information

The proponent and principal contact in relation to this project is Mr Peter Collocott. His business partner is Mr John Wallington. They have conceived the idea of building and operating a Zip Line (also commonly referred to as a Flying Fox) extending from Lennox Headland southward to the rear of Boulder Beach, basically adjacent to and above the cliff face and shoreline.

The structure would entail the erection of an elevated platform on Lennox Headland and at the rear of Boulder Beach, as departure and arrival points respectively for their customers.

There would be a third, intermediate platform as a change point. Cables would be connected between each of the platforms, along which passengers would pass on suspended harnesses.

Brief operational details relating to the adventure experience, including the perceived direct and flow-on economic benefits to be derived through the operation of the new facility, are set out in the proponent's submission, a copy of which is attached to this report.

Also attached to the report is a copy of an aerial photo which depicts the immediate locality. The coloured shading on the plan distinguishes the land ownership. The beige colouring within the strip between The Coast Road and the coastline is Crown Land owned by the State Government. Ballina Shire Council is the appointed Reserve Trust under the provisions of the Crown Lands Act charged with the responsibility of managing this land in the interests of the people of New South Wales.

The area of land shaded in green colouring on the plan is freehold land owned by Council. Also shown on the plan is a number of unformed roads, some of which are under Council's ownership and others comprise Crown Roads.

It may be seen that if a Zip Line was to be approved and erected in this locality as per the current proposal, it would traverse Council land, part of the Crown Coastal Reserve and also road reserves.

This situation may cause complexities in relation to the grant of an acceptable land tenure to a proposed operator of the facility if it was to proceed.

Plan of Management

In 2003 the Ballina Coastal Reserve Plan of Management was finalised and adopted. The primary objective of this plan was to rationalize all vacant Crown Lands and existing Crown reserves in Ballina Shire, north of the Richmond River, into a single coastal Crown reserve for the notified purpose of Public Recreation and Coastal Environmental Protection. As stated above, Council has been appointed by the NSW Minister for Lands as the Reserve Trust to manage the coastal reserve.

The Plan of Management was founded on comprehensive community engagement and identifies the key values of the coastal reserve and the actions to be implemented to protect those values whilst encouraging appropriate community use and access.

4.2 Zip Line Proposal

Consideration of the detailed provisions of the Plan of Management will be essential if the current preliminary proposal for the Zip Line is to be advanced.

Planning Provisions

Whilst this Committee's principal role is to examine the proponent's request for financial support toward the project, and the potential commercial opportunities which might be presented by the establishment and operation of a Zip Line within the coastal corridor, it is also relevant at this time to think about the planning context for the proposal.

The coastal reserve in this location is zoned 7(f) Environmental Protection (Coastal Lands) Zone for the purpose of the Ballina Local Environmental Plan 1987, which is currently the prevailing local planning instrument. What is being proposed is prohibited development, so a planning authority has no discretion to grant consent to a formal application to build and operate a Zip Line.

If Council wished to support the proposal, it would need to initiate a planning proposal to appropriately amend the local plan to make the development permissible. To do so is not particularly onerous, but does take time, and the process also involves community consultation.

Having amended the local environmental plan, a competent development application would need to be prepared, assessed and determined. Council may or may not be the planning authority with the responsibility of determining that application.

Feasibility

Whilst it is evident from earlier staff and Councillor discussions with the proponent that they are enthusiastic about the concept of the Zip Line, and appear confident it can be commercially viable in this location, a sound business plan has not been presented to Council for consideration.

As the Council is being asked to consider whether it is willing to commit substantial public funds to meet the costs associated with progressing the proposal to a potential construction phase, it would be essential for the viability of the project to be clearly understood. This could be done by Council evaluating the proponent's business plan or commissioning its own independent feasibility assessment or other research which it deems appropriate.

Need for a Competitive Process

It has been communicated to the proponent by both Council staff and a senior representative of the NSW Department of Primary Industries, Lands that commercial proposals on public land may only be undertaken following a compulsory competitive process.

This appears to be of significant concern to the proponents in that they would need to undertake substantial work and expend considerable funds in the processes outlined above without any certainty that, firstly an approval would ultimately be granted for the Zip Line and, secondly, that they will be the successful party to operate it.

Effectively, what is being asked is that Council, in its capacity as Trust Manager of the Coastal Reserve, as well as key property owner, undertake the necessary work including community engagement, to secure planning and other regulatory approvals for the facility. Once this is done, expressions of interest or tenders would be called for the construction and operation of the Zip Line under a lease or licence arrangement. Under this arrangement, Council carries all the risk in relation to the project.

If the Council was inclined to consider this proposition in greater detail, it could request the General Manager to engage the services of a competent person or firm to document an appropriate approach that would be legislatively or procedurally appropriate and which minimizes Council's exposure to identified risks. Funding would need to be allocated for this purpose.

Gauging the Community View

The coastline between Lennox Head and Ballina is widely acknowledged for its scenic and landscape values. Council is also very aware of the Aboriginal cultural and heritage values of the coastal corridor in this same location.

One could reasonably anticipate that the proposal to build and operate a Zip Line on land with these attributes, in such a sensitive location, would generate considerable public interest, despite any ameliorative measures which might be applied. There may be strong arguments that a Zip Line would be a stimulus for local economic activity and improve recreational opportunities for our shire residents and visitors. These would need to be balanced against the actual or perceived impacts on the values of the coastal reserve and coastline more generally.

A comprehensive and facilitated community engagement should be undertaken in the first instance to ascertain the depth of feeling toward this proposal if Council is inclined to support the matter.

Legal / Resource / Financial Implications

The discussion above outlines in very general terms what would be involved to advance the Zip Line proposal if Council has an appetite to do so.

It is difficult to predict what it would cost to take the proposal to a point where a tender for construction and operation of the facility could be issued. It is suggested that a budget of \$100,000 could be realistic, however that amount could easily be exceeded.

The extent to which Council could recoup costs from a commercial operator through a lease or licence agreement, or by other means, would also need to be assessed.

Works associated with taking the project forward would impact Council's Commercial Services Section, Civil Services Group, Strategic and Community Facilities Group and Development and Environmental Health Group, albeit at different stages.

It is noted that no provision is made in Council's current Delivery Program/Operation Plan for this level of resource commitment.

Ultimately, Council needs to determine if 'buying in' to this proposal is the best use of limited available Council funds and resources.

Consultation

To date, the community has not been invited to express a view regarding the proposal. If Council would like to find out about that before making any further commitment to the current proponents, it could initiate a process of community and stakeholder engagement. The method/s of engagement would need to be carefully considered if an objective analysis of community sentiment is to be achieved.

Options

At this point in time the Committee is invited to indicate whether it wishes to commit resources to further investigate the Zip Line proposal which has been presented. If it chooses to do so, this would be on the basis that it is interested in investigating a commercial opportunity for the potential establishment of the facility, rather than conveying a view as a planning authority. Council will also need to separately consider and determine a position concerning the proposal in its capacity as Reserve Trust for the Coastal Reserve.

If the Committee is disinclined to recommend using public funds to 'kick start' the matter, it can convey this position to the proponents, who may then decide to abandon their efforts or seek to pursue it by different means.

If, however, the Committee determines that a Zip Line in this location warrants its commercial involvement, the following could be considered:

- a) engage the services of a competent person or firm to undertake market and other relevant research to examine the demand for and potential viability of a commercial enterprise of this kind. The benefit of this would be to obtain an objective and independent view of the project and identify potential options for Council's involvement. Financial and other risks would also be identified.
- b) the Committee could recommend that the General Manager immediately take steps to prepare a planning proposal to amend the Ballina Local Environmental Plan 1987 to make a Zip Line permissible on the subject land. This would require the preparation of various studies which would assess the environmental, social, cultural and economic impacts associated with the proposal. A community consultation strategy would be prepared and implemented to enable Council to 'get a feel' for community sentiment.

If the amendment to the LEP is made, Council (in its capacity as Reserve Trust) could also prepare a development application to seek consent for a Zip Line.

When these outcomes have been achieved, Council might then take steps to conduct a competitive process to select a person or firm to whom a commercial tenure would be granted to build and operate a Zip Line. The elements of that process would require very careful consideration by Council and the Crown at that time.

4.2 Zip Line Proposal

Consideration has been given to an option of Council simply calling for expressions of interest from a person or organization to undertake all of the above. Under this scenario, Council would be conveying its desire to see a Zip Line operating in this location. In its capacity as Reserve Trust it would be authorizing the selected party to undertake all necessary investigations and obtain all relevant approvals to enable the project to be operated.

The key issues here are that Council would be pre-empting that the social, environmental, cultural and economic impacts would all be positive or acceptable. From the market's perspective, it is suggested potential operators would be reluctant to participate in this approach due to the significant uncertainties and levels of risk.

From the above, it can be seen that there is no relatively easy pathway for the Zip Line proposal, and it is a matter for the Council to decide whether it wishes to pursue the matter.

Given the circumstances, there are two alternative recommendations that could be considered by Council; i.e.

Option One

That Council thank Messrs Collocott and Wallington for submitting their proposal for the establishment and operation of a Zip Line at Lennox Head. However, Council declines to accede to their request to use public funds to instigate the project due to the lack of detail in respect to the project and the high level of financial risk associated with investing funds in the project due to this lack of detail.

Option Two

That Council conveys its in-principle support for the Zip Line proposal. That the General Manager is authorized to engage the services of a competent firm or individual to undertake a feasibility assessment of the proposal, including examining the extent to which Council could participate in such a project on a commercial basis, with the matter then being reported for the Council's further consideration.

Option one is the recommended option for a number of reasons including:

- a) essentially a private sector operator is asking Council to carry all the risk and funding associated with the establishment of the project
- b) there is a high risk that many members of the community will not support a project of this nature in this high profile foreshore location
- c) on balance the project is not considered to be compatible with Council's values of protecting the visual amenity of our prominent foreshore locations.

Many Zip Lines around the world are established in well vegetated areas on the side of hills / mountains (i.e. forested areas) and ideally such a location would be preferable for this project. There may well be opportunities in locations such as Uralba in our Shire.

RECOMMENDATION

That Council thank Messrs Collocott and Wallington for submitting their proposal for the establishment and operation of a Zip Line at Lennox Head. However, Council declines to accede to their request to use public funds to instigate the project for the reasons outlined in this report.

Attachment(s)

1. Proponent's Submission
2. Aerial Photo

Lennox Head to Boulder Beach Zip Line

Agenda Item - Ballina Council October 2016



Overview

The East Coast Zip Line Company would like to establish a world class Zip Line from the top of Lennox Head to Boulder beach. This document is to inform and hopefully gain Council involvement in the Project.

Scope Of The Zip Line Operation

A Zip Line is a personal adventure experience accessible to anyone of any age in moderate physical condition. It provides a totally safe ride in a harness suspended beneath a cable between platforms. The participant can vary the speed depending on the adrenalin rush required whilst 'flying' over the spectacular coastal scenery.

Participants will be self-drive or take advantage of a shuttle service we will offer from the surrounding areas. It is envisaged that the attraction would create significant visitation from younger tourists in Byron Bay who would otherwise not venture south of the Byron area.

- Tourists will walk from the Lookout Carpark up the short stairway to the Zip Line adventure start point. Once there they will be fully briefed and issued the appropriate safety equipment before commencing their amazing ride to the first platform.

The Zip Line will pass through 2 stages and 3 platforms. Each platform is full time professionally manned. The ride will finally end at the northern part of Boulder beach. Duration will be approximately 1 Hour.

There will be capacity to carry up to 300 passengers per day and we expect weather conditions to allow operations on over 300 days a year.

The Zip Line will be safe to operate in wind speeds well above the average experienced in the afternoon sea breeze.

Once the tourists have completed their Zip Line adventure a short stroll will take them to our courtesy bus for transfer back to the carpark or alternately they may choose to walk on the well-developed trails.

Zip Lines are well established adventure tourism activities in many locations around Australia and the world. We would however develop a risk management matrix tailored to this specific location.

Economic Considerations

We are certain that the impact on the Ballina Shire economy will be very significant.

The economic impact of the project would be both direct and indirect.

The direct benefits would be the employment of approximately 15 to 20 people as operators, drivers and reservations staff. In addition we would envisage a per person payment to council as rental for use of the land.

The indirect benefits will be far reaching through the local economy.

They will involve existing businesses and facilitate the start of new businesses. Most importantly the flow on will be such that visitors will stay in the region for not just a zip line ride, but at least a whole day and often overnight.

The Lennox Head Zip line will be an iconic draw to the area. **The pre visit marketing for the zip line will include packages and general area information.**

Business that will be developed or expanded include:

- Kayak trips around Ballina 'Island'. This has a real point of difference to sea kayak trips available in adjoining regions
- Lunch packages with existing restaurants
- Accommodation packages and options
- Offshore fishing
- Whale watching
- Horse riding
- Bicycle hire and tours
- Boutique shopping as currently exists in Lennox Head

As Zip Line operators we would develop full day and overnight packages. We would run shuttle buses from Byron Bay, Ballina city centre, selected bars, surf clubs and beaches.

Environmental Considerations

Zip lining is an extremely low impact activity. The physical footprint is very small despite the fact that the activity allows participants to appreciate a significant part of our coastline.

In consultation with the council and appropriate experts a comprehensive environmental impact strategy for its construction and operation would be developed.

A number of environmental points merit discussion at this stage.

Tracks

The current recreational pathway under construction between East Ballina and Pat Morton Lookout will be ideal to provide visitors access to and from the Zip Line area.

The current tracks without any further development are perfectly located to allow easy access for people and emergency services vehicles.

Sight And Sound

The Zip Line platforms will be designed to be aesthetically pleasing and blend in with the environment.

There are no engines, motors, vehicles or any propelled devices as the pulleys rely solely on gravity to travel down the cable. The sound of wheels rolling down the cable is not invasive or loud.

Toilets

There is already a toilet at the Pat Morton Lookout car park so no additional facilities required.

Social Considerations

Any new development will create discussion and inevitably some degree of controversy with so many differing interest groups in our society.

We are sensitive to these opinions and would engage in community consultation during the development of this project.

It is our belief that this development would have virtually no negative impact on any one in the area. There would however be considerable positive social impact for those employed directly and indirectly with the project.

Our Qualifications

The East Coast Zip Lines Company will consist of locals with extensive adventure tourism and operational management expertise. We have operated tourism businesses in Alice Springs, Broome Canberra, the Gold Coast and Tasmania. The experience has a strong focus on soft adventure tourism (ballooning, whale watching and paragliding) but also includes owning healthy food outlets and a beachfront motel. Of particular note is our positive history in working with Aboriginal people on the use of their land adjacent to Uluru and on Roebuck Plains Station, WA.

We have engaged the professional services of Lake Eland Zip Lines in South Africa to assist with the design and construction of a 3 platform Zip Line extending 900 meters in length from the top of Lennox Headland to the North end of Boulder Beach.

The Dunstone Brothers who own Lake Eland Zip Lines designed and built the longest most exhilarating Zip Line in the world measuring 4.5 km with speeds (by choice) up to 220 kph.

We have already facilitated a site visit by Eric Dunstone who considers Lennox Headland to allow for a world class zip line.

As locals we have had the opportunity to review all possible sites in the region. This site has been well researched with ground, sea and aerial inspections. It is perfect with a 9:1 descent ratio, spectacular scenery and excellent location for multiple reasons.

Project Development

We anticipate the concept will generate considerable local enthusiasm at all levels. There will of course be some concerns but we believe these can be managed with the information we can impart in the consultation process.

We have consulted extensively with highly respected local planners and Crown Lands, both of which have identified the processes to be followed, believe the outcome is achievable at a reasonable cost and the benefits are real.

This consultation has also provided clarity on the use of crown and public lands as necessitated for the success of this project and that it will require a tender process.

For this reason and as we are local businessmen rather than multinational developers we believe the only way forward is for Ballina Shire Council to facilitate the DA approval process.

This project provides an opportunity for Council to be publicly proactive in the development of much needed new economic initiatives.

We are prepared to provide high level consultancy during the DA process on a basis that we believe will be very attractive to council.

We look forward to a decision by Ballina Shire Council to move forward with this very exciting project that will have a large impact on tourism and associate business growth in the Shire.

Lennox Head to Boulders Beach Zip Line.

4

4.2 Zip Line Proposal

We would be pleased to make a presentation to, or answer specific questions from Council in order for the project to proceed. Ballina Shire should not miss this opportunity!

Peter Collocott	0418 821 998	pondohut@gmail.com
John Wallington	0418 60 60 29	wallingtonj@bigpond.com



4.3 Sale of Council Land - 86 Plateau Drive, Wollongbar

4.3 Sale of Council Land - 86 Plateau Drive, Wollongbar

Delivery Program Commercial Services

Objective To seek Council's approval for the sale of 86 Plateau Drive, Wollongbar.

Background

86 Plateau Drive, Wollongbar ("Lot 15") is the last of fifteen lots to be sold in Stage 1 of Council's Wollongbar Residential Estate. A copy of the plan of subdivision is **attached**.

Lot 15 has been on the market for sale since early 2014. It was offered for sale at public auction on 18 August, 2016 but was passed after failing to attract a bid.

After to being passed at auction Lot 15 was placed on the market for sale at an asking price of \$190,000. An offer to purchase the property has been received and forms the subject of this report. The price negotiated is noted in a confidential report on the matter contained in report included in the agenda for this meeting.

Key Issues

- Price

Information

Stage 1 of Council's Wollongbar Residential Estate comprising 15 serviced residential lots was completed in early 2015. It has been a very successful project for Council as evidenced by the sales achieved measured against the sales target.

Initial sales target – February 2014	\$3,230,000
Total sales achieved (incl. Lots 5 & 15)	\$3,205,000
Variance	\$25,000

The net return to Council from Stage 1 is in the order of \$1m which is in line with initial projections.

Contracts have recently exchanged for the sale of Lot 5 (Teak Tree Lot) at the asking price of \$240,000. This lot was withheld from the market until mid 2016 pending resolution of issues relating to the large teak tree located upon the site. This lot was put to auction on August 2016 but was passed in and then placed on the market for sale.

In the initial design of Stage 1, Lot 15 was proposed to be a drainage reserve however this proposed drainage reserve was relocated across the road and will form part of the civil construction works for Stage 2.

4.3 Sale of Council Land - 86 Plateau Drive, Wollongbar

Lot 15 was initially very steep so retaining walls were constructed upon it to create a level building site, however this building site is smaller than others in Stage 1. A site plan is **attached**.

The price negotiated for Lot 15 is considered fair and reasonable in the current market and the fact that property has been on the market for sale since February 2014.

Legal / Resource / Financial Implications

Legal

Lot 15 is classified as operation land under the NSW LGA and as such Council has the authority to sell it.

Consultation

The sale of this lot has been publicly advertised.

Options

Council has previously resolved to approve the sale of this land. The confidential report later in this agenda outlines the proposed sale price. This means the purpose of this report is for noting only.

RECOMMENDATION

That Council notes the contents of this report in respect to the sale of Lot 15 DP 1204621.

Attachment(s)

1. BSC Wollongbar Estate Stage 1 - Layout Plan
2. 86 Plateau Drive (Lot 15) Wollongbar - Site Plan

wollongbar estate
stage 1 - lot plan

issued: 18 October 2016

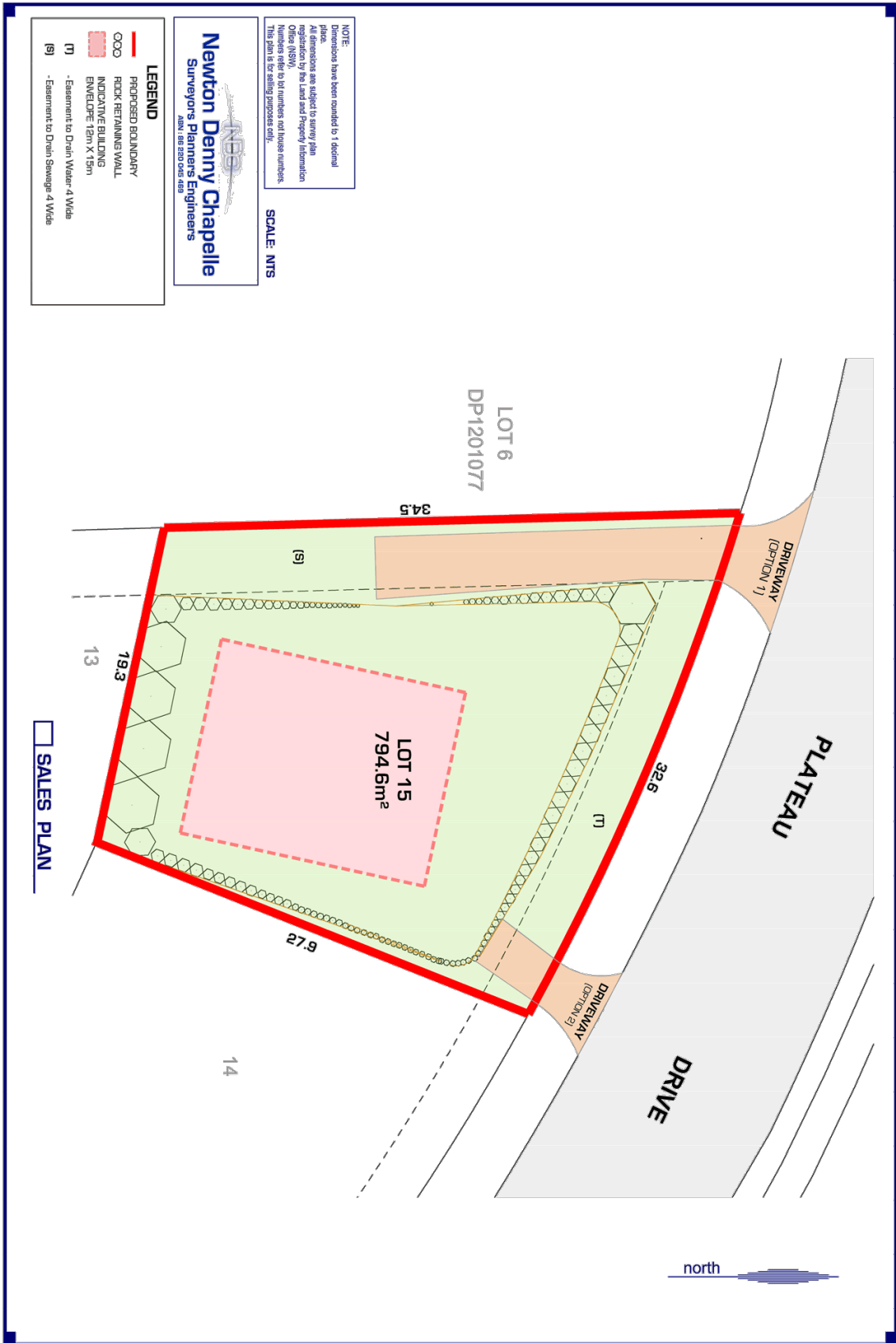


General enquiries: commercial services • ballina shire council • 71 tamar street • po box 450 ballina nsw 2478 t 02 6686 1200 • w ballina.nsw.gov.au

Sales enquiries: please contact any local real estate agent.



4.3 Sale of Council Land - 86 Plateau Drive, Wollongbar



DRAWING NO: SP1 - LOT 15
DATE: 16/07/16
K:\Job\2015\15105 - Res subdivision\resubdiv\lot 6 - rock retaining, planning plans\sales plan\lot 6 - sale plan - 15

C O R P O R A T I O N
N E W T O N D E N N Y C H A P E L L E

5. Confidential Session

5. Confidential Session

In accordance with Section 9 (2A) of the Local Government Act 1993, the General Manager is of the opinion that the matters included in the Confidential Business Paper, and detailed below are likely to be considered when the meeting is closed to the public.

Section 10A(4) of the Local Government Act, 1993 provides that members of the public are allowed to make representations to or at a meeting, before any part of the meeting is closed to the public, as to whether that part of the meeting should be closed.

A brief summary of each of the reports recommended for consideration in confidential session follows:

5.1 Sale of Council Land - 86 Plateau Drive, Wollongbar

Refer to Item 4.3 of this agenda.

RECOMMENDATION

That Council moves into committee of the whole with the meeting closed to the public, to consider the following items in accordance with Section 10A (2) of the Local Government Act 1993.

5.1 Sale of Council Land - 86 Plateau Drive, Wollongbar

Reason for Confidentiality

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the Local Government Act 1993. which permits the meeting to be closed to the public for business relating to the following:-

- c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business

and in accordance with 10D(2)(c), on balance, the discussion of the matter in an open meeting is not considered to be in the public interest due to the ongoing commercial negotiations.