



15.3 Council Owned Land at Murray Road

File:	QG170-02-02
Report Author:	General Manager Planning & Infrastructure
Strategic Objective:	A proactive and accountable Council
Portfolio:	Governance and Finance
Portfolio Holder:	Cr Bob Merriman

Purpose

The purpose of this report is to provide Council with details regarding the potential to prepare part of the Council owned land at Murray Road for sale and future residential development.

Background

The subject site is situated adjacent to the north-western edge of Queenscliff between Bellarine Highway and Murray Road with frontage to Fellows Road. The site is an irregularly shaped allotment with frontages of approximately 163 metres to Bellarine Highway, 219 metres to Fellows Road and 352 metres to Murray Road. The land has an area of approximately 6.96 hectares (17.21 acres).

The land is undeveloped and has been used in the past for a rubbish tip. The existing site levels range from 0.17m AHD to 1.74m AHD. The site topography comprises two high points in the south-eastern and north-eastern corners of site which are the result of previous filling of the site. The remainder of site is approximately a metre lower and characteristic of the marsh areas adjoining Swan Bay to the east of the site. An existing vehicle crossover is located on the south-eastern corner of the site, providing vehicle access from Murray Road to the site.

The site is currently vacant. The Council records show that the land has been zoned for residential purposes since at least 1981. The land was transferred to Council in the 1970's following the subdivision of Noma Court and Queenspoint Crescent, Queenscliff. Part of the original parcel has been developed by Barwon Water, Bellarine Peninsula Health Service and Queenscliff Community Nursery.

A 2008 planning permit application for the site included a development plan (as required by the Queenscliffe Planning Scheme for any subdivision of the site) which provided for the subdivision of the eastern portion of the site into 18 residential lots. The application was



referred to other relevant authorities and was opposed by the then Department of Sustainability and Environment due to the impact on significant native vegetation. It is believed that the Planning Permit Application was abandoned as a result.

Council allocated \$60,000 in the 2013/14 budget to appoint a consultant in order to assess the options and constraints for development of the land for residential purposes. A request for quotation from suitably qualified consultants was requested in early 2014 with the preferred consultant, Planisphere, appointed in March 2014.

Before contemplating any development on this site, a Development Plan is required under the Queenscliffe Planning Scheme. The consultant has prepared a Development Plan and supporting report which is included as **Appendix 3**. It should be noted that Appendix 3 includes a number of technical reports as attachments. These technical reports have not been printed as part of the Council Agenda papers due to their size but have been included in electronic format on Council's website.

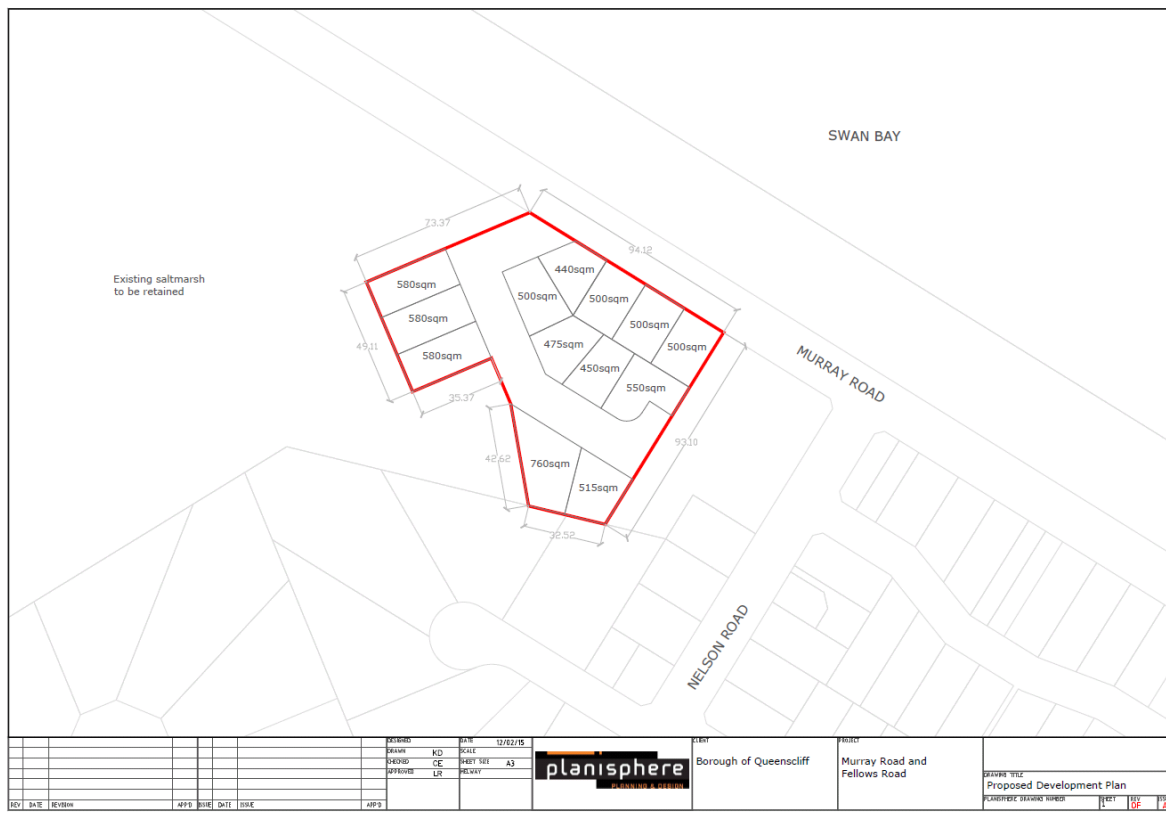
The main difference between the 2008 Development Plan and the current Development Plan is the proposed developable area has been reduced to avoid any removal of significant vegetation. The current Development Plan indicates 13 residential lots compared to 18 in the 2008 plan) ranging in size between 440 square metres and 760 square metres is possible in the eastern portion of the subject site.

Key Issues

- Council consideration of Development Plan;
- Council consideration to commence planning permit process for subdividing Murray Road land into two parcels; and
- Council consideration of selling land to be developed in accordance with the Development Plan

Discussion

The Development Plan (**Appendix 3**) has been prepared to support the development of part of the land at 61-75 Murray Road, Queenscliff as shown in the plan over the page.



The Development Plan results in potential development of 13 residential lots ranging in size from 440 square metres to 760 square metres. The total area of the proposed developable area is 1.22 Ha.

The Development Plan and associated supporting report has been developed with regard to the following assessments undertaken under the direction of the lead consultant, Planisphere:

- Ecological Features and Constraints Preliminary Assessment, Paul Kelly and Associates, 31 May 2014
- Salinity and Acid Sulfate Soil Assessment, Senversa, 22 May 2014
- Engineering Services Report, TGM, June 2014

The Development Plan Report included in **Appendix 3** provides a summary of the results of the above technical assessments. As a result the Development Plan has been prepared to:

- Reduce the requirement for fill on the site
- Eliminate any removal of important vegetation
- Ensure developable area is above the 1 in 100 year flood extents.

The Development Plan indicates that 4 lots would have direct access from Murray Road with the remainder form a newly constructed road.



The Development Plan Report provides a detailed response to the planning requirements with due regard to all applicable zone and overlay provisions. It is considered the Development Plan Report demonstrates that the developable area can meet all the necessary planning requirements.

This provides an opportunity for Council to subdivide the Murray Road land in a manner that would allow the sale of the 1.22 Ha developable area to a land developer. A land developer could then further subdivide the sold parcel of land into 13 lots in accordance with the Development Plan.

Should Council resolve to subdivide and sell the developable land, Council will need to firstly apply for a Planning Permit, which will include public advertising and consideration of any submissions.

In addition, before making a final decision to sell, Council is required to do certain things under section 189 of the Act, which states:

189 Restriction on power to sell land

- (1) Except where section 181 or 191 applies, if a Council sells or exchanges any land it must comply with this section.*
- (2) Before selling or exchanging the land the Council must—*
 - (a) ensure that public notice of intention to do so is given at least 4 weeks prior to selling or exchanging the land; and*
 - (b) obtain from a person who holds the qualifications or experience specified under section 13DA(2) of the **Valuation of Land Act 1960** a valuation of the land which is made not more than 6 months prior to the sale or exchange.*
- (3) A person has a right to make a submission under section 223 on the proposed sale or exchange.*
- (4) Subsection (3) does not apply to the sale of land that formed part of a road that has been discontinued and which the Council has resolved to sell as the result of a Council exercising its powers under clause 3 of Schedule 10*

Council Plan

The Borough of Queenscliffe Council Plan 2013-2017 includes the strategic objective of 'A proactive and accountable Council'. The related Council strategies include:

- Maximise return on Council assets
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Financial

The estimated value of the developable land if sold as a single 1.22 Ha site to a developer is based on the realisation value of the 13 lots less development costs and profit margin for a developer. Development cost estimates include provision of and augmentation of utility services as well as possible replacement of fill across the developable area. Given these estimated costs for development are subject to change, they could impact the final market value of the land before sale to a developer. Therefore the estimated sale price of the 1.22 ha land identified for residential development could be sold by Council to a developer for between \$4.2 and \$4.7 Million and would be confirmed closer to the time of any proposed sale.

In order to prepare the developable land for sale, a subdivision will firstly need to be approved. Costs associated with the subdivision are considered minor totalling less than \$20,000, mainly associated with a surveyor to prepare a plan of subdivision for certification and creation of two separate titles. It should be noted that all the costs associated with further subdividing the land into 13 lots would be borne by a developer, including augmentation of utility services to the site.

Social

If the 1.22 Ha of land identified in the Development Plan for residential development was to proceed, it would result in a further 13 properties available for purchase which would potentially lead to new residents in the Borough.

The proposal will have a minor impact on some existing residences in Nelson Road and Noma Court (i.e. properties currently backing on to the developable area of Council owned land), however these impacts can be managed through the Planning Permit Application process and relevant building regulations.

Environmental

The impact to the environment should the development proceed as outlined in the report is considered to be minimal. The developable area is limited to an area that does not include significant vegetation and therefore will not necessitate the removal of significant native vegetation. It is considered the additional 13 lots would have minimal impact to Swan Bay from a stormwater drainage point of view and can be managed appropriately through the detailed design process. The Development Plan Report also recommends that during the 13 lot subdivision approvals stage, a Construction Environmental Management Plan be prepared by the developer to ensure impacts to Swan Bay, native vegetation and habitats during construction are minimal and appropriately managed.



Risk Management

There are no significant risks associated with this report at this time. Should Council ultimately decide to sell part of the Murray Road land (not the subject of this report), financial risks associated with a potential sale will be identified and addressed in a future report.

Officer Direct or Indirect Interest

Under Section 80C (1) (2) of the Local Government Act 1989, Council staff and persons engaged under a contract to provide advice or a report to a meeting of the Council or a special committee, and who have a direct or indirect interest in a matter to which the advice or report relates, must disclose the type of interest when providing the advice or report and before the advice or report is considered by the Council or the committee.

Officers involved in developing the report have no direct or indirect interests.

Assessment

The Development Plan and supporting report has been prepared to minimise impact on the environment, including Swan Bay, vegetation and habitat. The identified developable land area is approximately 1.22 Ha, leaving over 5.7 Ha in Council ownership ensuring the significant vegetation identified on the site is preserved.

The potential income of \$4.9 Million should the 1.22 Ha area of land be sold to a developer for residential development is significant to Council. The potential income could be used to fund other community projects or be invested and contribute to Council's ongoing financial sustainability.

Conclusion

The whole Murray Road land presents many environmental constraints that are reflected in the planning overlays that apply to it and that have been investigated through environmental studies by the consultant. The Development Plan has been produced with the intention of avoiding these constraints and therefore allowing for the continued protection of the adjacent environmental features.

The Development Plan is considered to be consistent with the relevant provisions of the Queenscliffe Planning Scheme and therefore should be supported.

Prior to considering any potential sale, a Planning Permit Application needs to be submitted and considered. It is recommended that at the conclusion of the planning process, a further Council report be prepared advising Council of the planning process outcome and recommendation on whether a sale of the 1.22 Ha developable land can be pursued.



Recommendation:

That Council:

- 1. Notes the contents of this report and the Development Plan Report included in Appendix 3;**
 - 2. Approve Council officers to prepare and submit a Planning Permit Application to enable the subdivision of 61-75 Murray Road into two lots in general accordance with the Development Plan;**
 - 3. Requests Council officers to provide a further report to Council at the conclusion of the Planning Application process.**
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