



SNOWY MONARO
REGIONAL COUNCIL

Late Report

PUBLIC EXHIBITION COPY

**Ordinary Council Meeting
16 November 2017**

**ORDINARY COUNCIL MEETING
TO BE HELD IN THE BOMBALA COMMUNITY CENTRE, 163 MAYBE STREET,
BOMBALA NSW 2623**

**ON THURSDAY 16 NOVEMBER 2017
COMMENCING AT 5.00PM**

LATE REPORT

**10. CORPORATE BUSINESS - KEY DIRECTION 1. SUSTAINING OUR ENVIRONMENT
FOR LIFE**

10.1 Purchase of 55, 57 and 59 Vale Street Cooma

2

10.1 PURCHASE OF 55, 57 AND 59 VALE STREET COOMA

Record No:

Responsible Officer:	Director Corporate and Community Services
Author:	Executive Assistant
Key Direction:	1. Sustaining Our Environment for Life
Delivery Plan Strategy:	DP1.6 Ensure Council services, facilities and land holdings achieve best practice for sustainability.
Operational Plan Action:	OP1.22 Ensure Council has a safe reliable, sustainable and cost effective assets through the effective management of Facilities, Infrastructure, Plant, Motor Vehicle and Equipment Assets.
Attachments:	1. Report to Administrator Delegations 16 December 2016 ↓ 2. Report to Administrator Delegations 24 April 2017 ↓ Cost Centre PJ150223 – Purchase of 59 Vale Street, Cooma PJ150224 - Purchase of 57 Vale Street, Cooma PJ150225 - Purchase of 55 Vale Street, Cooma
Project	Purchase of properties in Vale Street Cooma
Further Operational Plan Actions:	

EXECUTIVE SUMMARY

In June 2017 Council settled on the purchase of three properties at 55, 57 and 59 Vale Street Cooma.

Council reports are attached to this report to fully inform Council of the process.

The following officer's recommendation is submitted for Council's consideration.

OFFICER'S RECOMMENDATION

That Council receive and note the report regarding the purchase of properties in Vale Street Cooma

BACKGROUND

On 21 December 2016 Council's General Manager presented a report to the Administrator Delegations Meeting (Attached) seeking authorization for staff to commence negotiations for the properties at 55, 57 and 59 Vale Street, Cooma.

The purchase of the three adjoining properties in Vale Street had previously been identified as a strategic land purchase by the former Cooma-Monaro Shire Council. In considering the report the Administrator resolved as follows:

12.2 PROPOSED PURCHASE OF PROPERTY

COMMITTEE RECOMMENDATION

ADA1/16

That Council

1. Receive and note the report on the purchase of property.
2. Authorise staff to begin negotiations for the potential acquisition of the properties identified in the report
3. Authorise the general Manager to appoint an agent to act on its behalf for the negotiation for the purchase of these properties

Approved by Administrator Lynch

Council staff commenced negotiations and on 24 April 2017 Council's Recreation and Property Manager reported to the Meeting of the Administrator's Delegation (Attached) seeking Council's consent to proceed to purchase the three properties. In considering this report the Administrator resolved as follows:

14. REPORT FROM CONFIDENTIAL SESSION

13.1 PROPERTY PURCHASES IN VALE STREET, COOMA

COMMITTEE RECOMMENDATION

ADA2/17

That Council proceeds with the purchase of;

Number 55 Vale Street, Cooma Lot 2 DP 1004003

Number 57 Vale Street, Cooma Lot D DP 163898

Number 59 Vale Street, Cooma Lot B DP 154627

That pursuant to the Local Government Act 1993 – Sect 31 that Council classifies the following lots as Operational Land

Lot 2 DP 1004003

Lot D DP 163898

Lot B DP 154627

Approved by Administrator Lynch

Purchase of the properties was finalised in June 2017.

At present Council has leased three sections of the building at 59 Vale Street to a total value of \$720pw as follows:

- Commercial lease expiring 23 May 2019
- Commercial lease expiring 31 May 2022
- Residential lease expiring 18 March 2018

The Country University Centre are also occupying an office in the old Medicare building under the terms of a Memorandum of Understanding for a period of two years.

QUADRUPLE BOTTOM LINE REPORTING

1. Social

The future development of the three properties will provide the community with a modern administration building that is capable of providing suitable facilities with access to all. This will enable Council to fulfil its commitment to the community to provide essential community services.

2. Environmental

The proposed new civic building will be designed using the latest technology and design methods to reduce Council's ecological footprint, thereby reducing operating costs.

3. Economic

Purchase price of properties in Vale Street are as follows:

55 Vale Street

Purchase price ex GST	-	\$220,000.00
-----------------------	---	--------------

57 Vale Street

Purchase price ex GST	-	\$310,000.00
-----------------------	---	--------------

59 Vale Street

Purchase price ex GST	-	<u>\$535,000.00</u>
-----------------------	---	---------------------

TOTAL	-	\$1,065,000.00
--------------	---	-----------------------

Summary of Additional expenses – all three properties:

Pest Control Inspection of 57 and 59 Vale Street	-	\$800.00
--	---	----------

Indent Survey of 55, 57 and 59 Vale Street	-	\$1,760.00
--	---	------------

Legal expenses	-	\$5,399.00
----------------	---	------------

Rental Income:

Council currently receives \$720 per week rental from the premises.

The acquisition was funded from the former Cooma-Monaro Council Internal Reserves (\$890,000) with the balance coming from the Snowy Monaro Regional Council General Reserves, with \$182,959 to be reimbursed from future sales of properties.

4. Civic Leadership

The properties in question had been identified by the former Cooma Monaro Council as a strategic land acquisition to address their accommodation needs due to the condition of the current offices. As such it was consistent with the restrictions on purchase of land during the Administration period. The two reports considered by the Administrator as detailed earlier in this report and attached. The resolutions were as follows:

10.1 PURCHASE OF 55, 57 AND 59 VALE STREET COOMA

Confidential Report to Council – Administrator Delegations Meeting 24 April 2017 attached.

Resolution ADA71/17 as follows:

13.1 PROPERTY PURCHASES IN VALE STREET, COOMA

COMMITTEE RECOMMENDATION

ADA71/17

That Council proceeds with the purchase of;

Number 55 Vale Street, Cooma Lot 2 DP 1004003

Number 57 Vale Street, Cooma Lot D DP 163898

Number 59 Vale Street, Cooma Lot B DP 154627

That pursuant to the Local Government Act 1993 – Sect 31 that Council classifies the following lots as Operational Land

Lot 2 DP 1004003

Lot D DP 163898

Lot B DP 154627

Approved by Administrator Lynch

Resolution ADA101/16

COMMITTEE RECOMMENDATION

ADA101/16

That Council

1. Receive and note the report on the purchase of property.
2. Authorise staff to begin negotiations for the potential acquisition of the properties identified in the report
3. Authorise the general Manager to appoint an agent to act on its behalf for the negotiation for the purchase of these properties

Approved by Administrator Lynch

CONFIDENTIAL REPORT TO CLOSED SESSION OF THE ADMINISTRATOR DELEGATIONS MEETING OF SNOWY
MONARO REGIONAL COUNCIL
HELD ON FRIDAY 16 DECEMBER 2016

Page 1

0.0 PROPOSED PURCHASE OF PROPERTY

Record No:

This item is classified 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 information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

Responsible Officer:	General Manager
Author:	Recreation & Property Manager
Key Direction:	7. Providing Effective Civic Leadership and Citizen Participation
Delivery Plan Strategy:	DP7.11 Provision of Customer Service by Council employees
Operational Plan Action:	OP7.29 Provide customer service centres throughout the Snowy Monaro Regional Council area that meets the communities and Councils standards and needs, outlined in Councils Customer Service Charter.
Attachments:	Nil
Cost Centre	WO16.20
Project	Purchase of Property
Further Operational Plan Actions:	NA

EXECUTIVE SUMMARY

A desktop review of available property located within the Cooma CBD has revealed that there are properties located together which would provide suitable developable land.

The following officer's recommendation is submitted for Council's consideration.

OFFICER'S RECOMMENDATION

That Council

1. Receive and note the report on the purchase of property.
2. Authorise staff to begin negotiations for the potential acquisition of the properties identified in the report

BACKGROUND

The Cooma branch of Council currently occupies premises at 81 Commissioner Street, Cooma. This site including car parking is 854 square metres and comprises a basement, 3 floors and a roof area. This building houses 52 staff in 1,368 square metres of offices, meeting rooms of 373 square metres and storage areas of 332 square metres. In addition there are 2 flats currently unoccupied with a total area of 100 square metres. This totals 2,173 square metres of floor space.

There are several deficiencies with this office space including;

CONFIDENTIAL REPORT TO CLOSED SESSION OF THE ADMINISTRATOR DELEGATIONS MEETING OF SNOWY
MONARO REGIONAL COUNCIL
HELD ON FRIDAY 16 DECEMBER 2016

Page 2

0.0 PROPOSED PURCHASE OF PROPERTY

1. Lack of disabled access to the Council Chambers.
2. Poor after-hours access to toilets.
3. Poor security during after-hours meetings.
4. Unsuitable venue for civic functions.
5. Poorly designed areas for storage.
6. Lack of car parking for visitors and staff.
7. Ongoing maintenance issues with the aging structure.
8. Poor service facilities such as kitchens for staff.

A desktop review of available property located within the Cooma CBD has revealed that there are currently 2 properties located together which would provide a total of 1,550 square metres of developable land. The properties are located at 55 and 57 Vale Street, Cooma. These properties have frontage to Vale Street Cooma only and currently have a combined asking price of \$540,000. GST would be payable on both properties.

Another property adjacent to and on the southern side of these properties would provide direct access to the public car park owned by Council. It also adjoins the Cooma Library also owned by Council. This property is developed and has an area of 735.8 square metres. Enquiries have not been made as to the asking price of this property although it was recently on the market.

QUADRUPLE BOTTOM LINE REPORTING

1. Social

The project will provide a civic building that the community can be proud of and use as part of their everyday life. It will improve the access for all for local government services which has been lacking in Cooma. This project will provide a sustainable and modern community building that will be able to provide the resources to enable staff to deliver high quality local government services to the Snowy Monaro region.

2. Environmental

The project will enable the latest sustainable building methods to be implemented thus reducing operating costs and emissions. It will also be able to be used as an example to the community for best practice.

3. Economic

The project will offer the opportunity to maximise low maintenance design and sustainable and efficient building design. It will also offer the possibility of the sale or lease of the existing building to generate further income.

4. Civic Leadership

Council will demonstrate their commitment to the Snowy Monaro community by investing in a community asset that will serve the community for in excess of 50 years.

CONFIDENTIAL REPORT TO CLOSED SESSION OF THE ADMINISTRATOR DELEGATIONS MEETING OF SNOWY
MONARO REGIONAL COUNCIL
HELD ON MONDAY 24 APRIL 2017

Page 1

22.1 PROPERTY PURCHASES IN VALE STREET, COOMA

Record No:

This item is classified 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 information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

Responsible Officer: General Manager
Author: Recreation & Property Manager
Key Direction: 1. Sustaining Our Environment for Life
Delivery Plan Strategy: DP1.6 Ensure Council services, facilities and land holdings achieve best practice for sustainability.
Operational Plan Action: OP1.22 Ensure Council has a safe reliable, sustainable and cost effective assets through the effective management of Facilities, Infrastructure, Plant, Motor Vehicle and Equipment Assets.
Attachments: Nil
Cost Centre TBA
Project Purchase of Properties: 55, 57 and 59 Vale Street, Cooma

Further Operational Plan Actions: Type text here

EXECUTIVE SUMMARY

Council staff have negotiated the purchase of 3 properties in Vale Street Cooma for the future development of administration facilities.

The following officer's recommendation is submitted for Council's consideration.

OFFICER'S RECOMMENDATION

That Council proceeds with the purchase of;

Number 55 Vale Street, Cooma Lot 2 DP 1004003

Number 57 Vale Street, Cooma Lot D DP 163898

Number 59 Vale Street, Cooma Lot B DP 154627

That pursuant to the Local Government Act 1993 – Sect 31 that Council classifies the following lots as Operational Land

Lot 2 DP 1004003

Lot D DP 163898

Lot B DP 154627

A. type here

CONFIDENTIAL REPORT TO CLOSED SESSION OF THE ADMINISTRATOR DELEGATIONS MEETING OF SNOWY
MONARO REGIONAL COUNCIL
HELD ON MONDAY 24 APRIL 2017

Page 2

BACKGROUND

QUADRUPLE BOTTOM LINE REPORTING

1. Social

The future development of these 3 lots will provide the community with a modern administration building that is capable of providing suitable facilities with access to all. This will enable council to fulfill its commitment to the community to provide essential community services.

2. Environmental

The new building on the site will be able to be designed to reduce any environmental impact by using the latest technology and design methods.

3. Economic

The whole of life costings are to be completed for this project when the full scope is determined.

4. Civic Leadership

This purchase is consistent with Council's goal of reducing maintenance costs and providing facilities that will be accessible to all.