

Management report to Council

Agenda item 6.6

Proposed Road Discontinuance (and sale) - 559-577 King St, West Melbourne

Council

Presenter: Rick Kwasek, General Manager Infrastructure and Amenity

27 February 2024

Purpose and background

1. The purpose of this report is to:
 - 1.1. Update Council on the outcome of the statutory public notification process for the proposed road discontinuance and sale of 41m² of land known as CL1091 (Road), being a portion of land abutting the rear of 559-577 King Street, West Melbourne (Development Land) to 577 King Street Developments Pty Ltd (the Applicant), as shown on the plans in Attachment 2 (the Proposal).
 - 1.2. Seek Council approval to discontinue the Road and sell the resulting land to the Applicant, as outlined in Attachment 1.
2. A Ministerial Planning Permit has been issued to the Applicant for a redevelopment of the Development Land for a mixed use development including accommodation, retail premises and office accommodation including a basement car park structure which encroaches into the subsoil of the portion of Road subject to the proposed discontinuance. Condition 12 of the planning permit provides:

Prior to the commencement of the development, the portion of CL1091 which is proposed to be built on must be formally discontinued, purchased and consolidated with the subject land.
3. To facilitate the development, the Applicant has requested Council discontinue and sell the Road to the Applicant for inclusion in the Development Land.
4. On 13 September 2023 Councillors were briefed on the proposed planning matters for the Development Land and commencement of the statutory process of the Proposal.
5. Council considered the Ministerial Planning Permit at the Future Melbourne Committee meeting on 24 October 2023.

Key issues

6. Management remains of the view that the Road is not reasonably required for public purposes, nor is it likely to be required in the future.
7. In accordance with sections 206(1) and 223 and clause 3 of Schedule 10 of the *Local Government Act 1989* and section 114 of the *Local Government Act 2020*, a public notice outlining the Proposal was placed in the Age on 11 October 2023 and on the City of Melbourne's website offering the opportunity for public submissions to be made.
8. One submission to the Proposal was received duplicating a submission to the Planning Permit. However, following the Minister issuing a Notice of Decision to Grant a Permit on December 1 2023, the submitter withdrew their submission, recognising that their concerns had been substantially addressed.
9. In accordance with Council's Road and Reserve Discontinuance and Sale Policy, the Applicant has agreed to purchase the land for \$155,000.00 plus GST.
10. Given the Road will be consolidated with the Development Land, the Proposal is considered to be a good outcome for the community.

Recommendation from management

11. That Council:

- 11.1. Discontinues the road identified as part of CL1091 (as shown on the plan in the public notice published in The Age on 11 October 2023 (Attachment 2 of the report from management) and sell the resulting 41m² of land to 577 King Street Development Pty Ltd for \$155,000.00 plus GST.
- 11.2. Authorises management to take all necessary actions and execute all necessary documents to implement the discontinuance and sale.

Attachments:

1. Supporting Attachment (Page 3 of 4)
2. Plan of Proposed Discontinuance and Sale (Page 4 of 4)

Supporting Attachment

Legal

1. Pursuant to sections 206(1) and 223 and clause 3 of Schedule 10 of the *Local Government Act 1989* and section 114 of the *Local Government Act 2020*, Council has given public notice and carried out community consultation in accordance with Council's Community Engagement Policy that it proposes to discontinue and sell the Road. Whilst the Planning Permit issued by the Minister for Planning requires part of CL1091 to be formally discontinued, purchased and consolidated with the Development Land, the decision on whether to discontinue and sell the land rests with the Council.

Finance

2. The Applicant agreed to purchase the land for \$155,000.00 plus GST in line with Council's market valuation and the Road Discontinuance and Sale Policy and will pay all costs associated with the road discontinuance and sale of land.

Conflict of interest

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

Health and Safety

4. In developing this proposal, no Occupational Health and Safety issues or opportunities have been identified.

Stakeholder consultation

5. Statutory and community consultation in relation to the Proposal has been carried out in accordance with section 223 of the *Local Government Act 1989* and section 114 of the *Local Government Act 2020* and Council's Community Engagement Policy.

Relation to Council policy

6. This report has been prepared in accordance with the Road and Reserves Discontinuance and Sale Policy 2022.

Environmental sustainability

7. No environmental sustainability issues or opportunities have been identified with the Current Proposal.

Plan of the proposed discontinuance -

