

Our Reference: 100/05/01



21 September 2007

The Secretary
Select Committee on Public Land Development
Legislative Council
Parliament of Victoria
Spring Street
Melbourne 3000

Dear Secretary

Inquiry into the Sale and Development of Public Land and Open Space

Thank you for the opportunity for Maroondah City Council to make a submission to the all-party Select Committee of the Legislative Council in relation to this important investigation.

It is understood that the terms of reference for the Committee covers both State Government and Local Government public land and open space.

At its meeting on 17 September 2007, Council resolved that the following 3 points would form the basis of their submission. Two points relate to State Government and the final point relates to current local government instruments:

1. **Where state government land is transferred to local government and where the land will continue to provide obvious community benefit, that any consideration for that land is reflective of the circumstances and not simply based on the current full market value.**

Of considerable concern to local government is the current practice by the State Government to require councils to pay full market value for land, which is transferred to it and the use of the land, continues to provide community benefit. The notion of full market value is considered reasonable where there will be a definitive commercial aspect to the use of the land, however where State Government land is transferred to Council and the use of the land continues to clearly be of community benefit then any consideration for the land should be reflective of that situation.

There have been a number of recent examples where Council considers a transfer of land could have benefited Council, State Government and the community. One example was the transfer of land as open space at the former Heathmont Primary School in Francis Street, Heathmont. A residential development of this site proposed by the State Government attracted considerable community concerns due to the loss of open space and vegetation. Council and officers of the State Government negotiated a higher level of open space to help facilitate the development.

Unfortunately this proposal was unable to proceed due to the inability of staff to be able to exchange land for community benefit. This led to the development being held up for a number of years with no real winner.

2. **Council seeks an increased level of consultation and recognition of council's involvement in any sale or development of state government owned land within its municipality.**

Disposal of 'surplus land' by State Government authorities in the open market needs to have regard to issues at a local level and also put in place controls over the subject land to restrict any development to be in line with the directions set by the local authority.

3. **There is to be no reduction of council's control over its public land or open space assets.**

Maroondah City Council has an extensive property portfolio of in excess of \$430M and comprises of a range of property types including roads, road reserves, laneways, parks and reserves, and land and community buildings and sporting facilities.

As steward of these land assets, Council must retain the ability to review, rationalise or expand public land and open space for the benefit of all stakeholders within the community. Council regularly reviews these types of assets to ensure that they are being used to the best of their ability.

The management of council land and open space is facilitated by both legislation and community participation. The Local Government Act 1989 (LGA) Part 1 Section 1 (4) & (5) outlines the role and responsibility of council in the discharge of its functions and powers affecting the community. Maroondah's Community Plan 2025 and the Maroondah Council Plan 2007-2011 sets the future direction of Council and offers the opportunity for community participation in those directions of council in all spheres of activity. Add to this level of community involvement, the further prospect that is given to all members of the community to make a submission pursuant to the (LGA) on any council decision to dispose of surplus land.

The process as outlined above ensures that good governance in relation to this facet of Council's operations is maintained and should not be an issue that is addressed by the Select Committee on Public Land.

I would like to thank you again for the opportunity to contribute to this important inquiry. Should you wish to further discuss any aspect of Maroondah's submission, please feel free to contact Mr Dale Muir, Council's Manager Revenue, Property & Customer Service on 9294 5509.

Yours sincerely



Michael Marasco
Chief Executive Officer