

ITEM NO: 2

SUBJECT: SELLING OF VACANT COUNCIL LAND TO NSW DEPARTMENT OF HOUSING

FILE NO: 09/112230

Management Plan Link

Principal Activity: Providing Good Government

Service: Council Buildings, Facilities and Property

Project: This report does not relate to a Management Plan project

Recommendations:

- 1. That the Council receives and notes this report and endorses the continued discussions with the NSW Department of Housing and other public housing authorities ensuring their awareness of the land holdings of the Council; and*
 - 2. That the Council notes support for the model of diversified public housing in the community as practiced by public housing authorities.*
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Report by Group Manager Community & Corporate**Reason for report**

The purpose of this report is to provide advice to the Council on the availability of Council owned land for the purposes of sale to the NSW Department of Housing. Additionally it provides advice on the imposition of further constraints on the available land to determine the character of housing that may be developed on those lands.

Background

The report responds to the resolution of the Council from the Council Meeting of 14 April 2009. At that meeting the Council resolved:

- “1. That a report comes to Council that identifies Council owned vacant blocks by location and appropriate zoning that may be sold to the NSW Department of Housing. Further that the report details the market value of the identified vacant blocks;*
- 2. That Council indicates the individual blocks are for the provision of community housing; and*
- 3. That Council states a preference for the model to comprise individual houses within established communities and that any clusters of community homes is to be avoided.”*

(Minute No. 134 - 14/4/2009)

The Council has for many years been working with the NSW Department of Housing (DoH) as well as other agencies including the Department of Aging Disability and Homecare (DADHC), in respect to vacant land the Council may have available for the provision of affordable housing.

During 2008, the Council had discussions with DoH regarding the provision of vacant land particularly in the mid-mountains. A number of potential land parcels were submitted to the DoH, however none were found to be suitable. The DoH has recently purchased previously privately owned properties in Hazelbrook (12 units) and another property in Lawson for redevelopment.

In May 2009 the Council issued a schedule of Council owned properties that may be suitable for development, to DADHC, through their consultants. DADHC were seeking vacant land that could be developed specifically for Seniors Living. No response has yet been received from DADHC.

The 2002 Residential Development Code identified that the Department of Housing owned 444 dwellings in the Blue Mountains area, the majority of which comprised single detached dwelling houses (90.9%). 2.2% of dwellings were semi detached (duplex or similar), and 3.9% were flats or units.

Public Housing Needs

The DoH has recently advised that its holdings in the mountains have increased to 466 dwellings. The increases have primarily been in the upper mountains from Wentworth Falls to Katoomba. The mix of dwelling type has not changed significantly since 2002, and the demand for public housing continues to increase.

The DoH has advised it is actively seeking to increase the stock of public housing across the mountains, but particularly the lower mountains, in all dwelling types. The highest demand is for 1-2 bedroom unit/villa type housing.

Land Holdings of the Council

The Council holds numerous land parcels that may be suitable for the construction of residential accommodation. The Property Disposal and Investment Program (PDIP) has been initiated in part to research and bring to the marketplace land suitable for development for a wide range of purposes, including residential development. Much of the land held by the Council is however, unsuitable for the purposes of public housing.

The DoH have quite specific requirements including:

- Close proximity (reasonable walking distance) to public transport;
- Generally flat or gently sloping land; and
- Land not prone to bushfire influence.

Figure 1 overleaf provides a schedule of properties that may be of interest to the DoH. Unfortunately there is a distinct lack of suitable Council owned sites in the lower mountains. The scheduled properties have been selected following a preliminary assessment of their constraints, as best meeting the criteria of the DoH, particularly in regard to location. A more detailed analysis will be conducted should the DoH have any interest in the sites.

Internal estimates value the properties collectively at \$1.8 - 2.9 million. Individual valuations for the scheduled properties have not been included in this report, primarily as any public disclosure may adversely affect the Council's potential to realise the best price for the lots in the marketplace. In order to avoid unnecessary consultant cost, it is proposed individual valuations be commissioned following approval by the Council to their sale, in accordance with the usual procedures. Should the DoH show interest in any of the properties, a thorough constraint analysis would be conducted and formal valuations commissioned, prior to any further report to the Council.

Figure 1. Schedule of Properties Proposed for Department of Housing Consideration

VILLAGE	ADDRESS	ASSET DESCRIPTION	LAND AREA / M2.	COUNCIL APPROVED FOR DISPOSAL	LAND ZONING
Katoomba	76 Camp Street	VACANT LAND	1,305	Yes	Employment - Enterprise
Katoomba	84 Camp Street	VACANT LAND	982	Yes	Employment - Enterprise
Katoomba	27A Freelander Avenue	VACANT LAND	767	Yes	Living - Bushland Conservation
Katoomba	18 Freelander Avenue	VACANT LAND	546	No	Living - General / Accessible Housing Area
Katoomba	20 Freelander Avenue	VACANT LAND	553	No	Living - General / Accessible Housing Area
Katoomba	43 Loftus Street	VACANT LAND	601	No	Living - Bushland Conservation
Katoomba	6 Orient Street	COMMUNITY BUILDING (TEMP)	1,721	No	Village - Housing / Accessible Housing Area
Mount Victoria	6 Cassilis Street	DISUSED RFS STATION	489	No	Living - General
Mount Victoria	100 Great Western Highway	VACANT LAND	905	No	Village - Tourist
Mount Victoria	106 Great Western Highway	VACANT LAND	628	No	Village - Tourist
Mount Victoria	12-14 Milson Street	VACANT LAND	1,344	No	Living - General
Mount Victoria	17 Mount Piddington Road	VACANT LAND	1,010	No	Living - Bushland Conservation
Wentworth Falls	16-18 Railway Parade	VACANT LAND	1,586	No	Living - Conservation
Valley Heights	32-34 Great Western Highway	VACANT LAND	9,795	Yes	Employment - Enterprise / Environmental Protection
Warrimoo	219 Great Western Highway	VACANT LAND	690	No	Living - Bushland Conservation
Warrimoo	part 14 Arthur Street	DISUSED CHURCH	970	Yes	Living - Bushland Conservation

A number of the properties are located in planning zones which permit development other than residential use, as per the requirements of Local Environmental Plan (LEP) 2005, LEP 1991 or LEP 4, and the Better Living Development Control Plan (DCP). Achieving the highest and best use for each of these properties is also an objective of the Council endorsed PDIP.

Councillors are advised that developers including government departments such as the DoH, are not strictly bound by the requirements of the Council's planning documents in certain circumstances. State Environmental Planning Policy (Infrastructure) 2007, State Environmental Planning Policy 70 – Affordable Housing (Revised Schemes), State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004, all provide the opportunity for residential development to occur irrespective of local planning instruments, in many local government areas, including the Blue Mountains. The DoH has advised of a preference to follow the usual Land Use Application process, without recall to the above State Environmental Planning Policies (SEPPs).

The Council as a land owner can seek to constrain the use of land over and above the requirements of an LEP, or DCP, in line with Resolution 2 of the Notice of Motion. If the Council as a land owner wished to constrain a parcel of land for the provision of community, or public housing, the Council could seek to have a covenant placed on the land thereby restricting its use in this way. Registration of such a covenant on the title of the land, would be subject to approval of the Department of Lands. Such a covenant would place additional constraint on the subject lands, and could be viewed as an attempt to circumvent the LEP process without Department of Planning endorsement. Notwithstanding reference to the SEPPs noted above, the LEP provides for certain types of development in certain zones. The provision of additional constraints on the land is not recommended. In addition, further

constraining the land would not be in accordance with the objectives of the PDIP, which include maximising financial returns to the Council from prudent land disposal.

Numerous reports and studies have been conducted over the last 20 years or so that support the principle that public housing should be diversified and integrated into townships so that mixed and balanced communities are created or maintained. This requirement is inherent in LEP 2005, the Council's 25 Year Vision and Management Plan, as well as SEPP 70 referred to above. The DoH and other public housing organisations have this principle embedded into their operations. Although the DoH has been involved in renewal of public housing estates in suburban areas of Sydney, development of new public housing estates is no longer common practice. The preferred delivery practice for public housing is the development of public housing alongside and complimentary to privately owned housing.

Financial implications for the Council

There are no known financial implications associated with the report's proposed recommendations.

Legal and risk management issues for the Council

There are no known legal or risk management issues associated with the report's proposed recommendations.

External consultation

Discussions have been conducted with senior staff of the NSW Department of Housing, Greater Western Sydney Housing Services Division, in the preparation of this report. No other consultation has been conducted.

Conclusion

This report recommends to the Council that communication with the Department of Housing be continued, and that the Council supports the model for the provision of diversified public housing in the community, in accordance with the planning documents in place and the 25 Year Vision for the City.

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ITEM NO: 3

SUBJECT: COUNCILLOR AND MAYORAL FEES 2009/10

FILE NO: 09/112383

Management Plan Link

Principal Activity: Providing Good Government

Service: Financial Management

Project: This report does not relate to a Management Plan project

Recommendations:

1. That Councillors adopt the maximum fees payable allowed by the NSW Local Government Remuneration Tribunal, which is \$15,500 for Councillors, \$33,840 fee for the Mayor of, which \$3384 is set aside for the Deputy Mayor when acting in the role of the Mayor;
 2. That the Deputy Mayor Fee be paid during periods of absence of the Mayor; and
 3. That the unused portion of the Deputy Mayoral Fee be paid to the Mayor in the last fee period of the Financial Year proportional to the time in the role.
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Report by the General Manager**Reason for report**

The NSW Local Government Remuneration Tribunal sets the range of fees for all Councillors and Mayors in NSW each year.

Background

Blue Mountains City Council is a Regional Rural Category 3 Council for the purposes of the Tribunal categorisations. The Tribunal concluded its 2008 annual review on 1 May 2009 and having regard to key economic data and the views of assessors, has determined that an increase of 2.5% for Councillors and Mayors is appropriate. These increases are to be effective from 1 July 2009.

A copy of the Tribunal recommendations can be found at:

http://www.dlg.nsw.gov.au/dlg/dlghome/dlg_CommissionTribunalIndex.asp?mi=4&ml=2&areaindex=RT&index=11

Current Payments

At the Ordinary Council Meeting of 15 July 2008, the Council resolved to adopt the maximum fees payable by the NSW Local Government Remuneration Tribunal which is \$15,120 for Councillors, \$33,010 additional fee for the Mayor and \$3,300 of the Mayoral fee set aside for the Deputy Mayor when acting in the role of the Mayor.

Future Payment based on increase

Blue Mountains City Council is a category three Council and the proposed following annual fees would apply if the 2.5% increase is adopted:

Councillor/Member Fee	Mayor/Chairperson Additional Fee	Deputy Mayoral Fee (a component of the Mayoral Fee)	Total Mayoral Fee
\$15,500	\$33,840	\$3,384	\$49,340

Deputy Mayoral allowance

There are two methods for payment of the Deputy Mayoral Fee:

1. Payment of a monthly fee of 12 equal payments;
2. Payment of the Fee during times of absence of the Mayor with any remaining monies at the end of the year being paid to the Mayor.

The second option for payment of Deputy Mayoral Allowance is recommended by the Department of Local Government.

Conclusion

It is recommended that Councillors adopt the maximum fees payable allowed by the NSW Local Government Remuneration Tribunal amounting to a 2.5% increase in fees. The Councillors should also note and approve the payment of fees option recommended by the Department of Local Government for the Deputy Mayor.

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