

**Recommendation**

In accordance with s89(2)(d), (e) and (h) of the *Local Government Act* 1989, Council may resolve that the meeting be closed to members of the public if the meeting is discussing contractual matters, proposed developments and any matter which Council considers would prejudice Council or any person.

**13.1 Purchase of Land**

Directorate: Corporate Services

Appendix: Yes

Councillor Portfolio: Not applicable

**Purpose**

To consider the purchase of 45 Epsom Street, Laverton and to seek approval to approach the landowner with an offer.

**Motion****Moved Cr Tony Briffa, Seconded Cr Jonathon Marsden****That Council:**

- 1. Authorise the Chief Executive Officer to undertake the negotiations to purchase 45 Epsom Street, Laverton.**
- 2. Note the preparation of a feasibility study for affordable housing on the north and south ends of 7-43 Epsom Street will also include 45 Epsom Street.**
- 3. Authorise the Chief Executive to execute documents to effect the purchase of 45 Epsom Street, Laverton.**
- 4. Review the confidential status of this report and attachment within one year.**

**Carried****Summary**

In 2014 Council purchased the former Laverton Primary school site on Epsom Street, Laverton (7-43 Epsom Street) for the purpose of open space and exploring the feasibility of providing affordable housing on the site. Located in the south-west corner of this site is 45 Epsom Street. This land is approximately 675sqm and has recently been placed on the market asking price \$610,000- \$670,000.

The former Laverton Primary School site, 7-43 Epsom Street is currently undergoing a Master Plan process for open space with affordable housing proposed at the north and south of the site. The subject site, 45 Epsom Street (appendix 1) offers an opportunity to provide an integrated development outcome on 7-43 Epsom Street. As a result of this it is proposed that Council should consider the purchase of the site to improve the development opportunities for the community, amenity, connectivity throughout the site, and the 3 owned

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land at 7-43 Epsom Street, Laverton is 14,400sqm and has frontages on both Epsom and Fitzroy Street. In the south-west corner of the site is 45 Epsom Street. This land is approximately 675sqm and includes a three bedroom home. This parcel of land has recently been placed on the market. The land is currently zoned General Residential (GRZ).

Council is currently working through a Master Plan process for the development of the Council land at 7-43 Epsom Street. This includes approximately 9,250sqm of open space in the centre of the site and 5,200sqm of land split across the north and south of the site for affordable housing (see appendix 2).

The affordable housing components on 7-43 Epsom Street are still being worked through however initial draft plans indicate that having 45 Epsom Street next to the proposed residential development could inhibit and risk development outcomes for Council and the community.

### **Discussion**

The purchasing of 45 Epsom Street has been identified as being able to provide a key opportunity for improving the redevelopment options of 7-43 Epsom Street. The purchasing of this site could allow Council to:

- create a more holistic design and development for the whole site and its surrounds
- improve sound attenuation opportunities across the whole site which could benefit the wider community
- minimise impacts on surrounding residential developments (especially amenity on 45 Epsom Street if it was not purchased)
- provide consistency of design throughout the site at the southern end, including the integration of the centre open space and public surveillance addressing potential safety matters
- potential to provide a more considered design response to the open space features and increase integration between built form and open space
- increase the dwelling yield, increasing the availability of affordable housing and or potentially increasing return in investment depending on the development model chosen

The land is currently zoned General Residential. A title search has been undertaken which identifies that land is on four individual titles and there are no covenants or caveats that would prevent the development of the site.

There is a sewerage easement on one title in favour of the Melbourne Metropolitan Board of Works. The easement will have minimal impact on the development of the site.

Due diligence is still to be undertaken on this site. Further investigations will be undertaken in relation to land use including assessments such as vegetation, an Environmental Site Assessment and an asbestos assessment.

The next steps are to undertake further diligence on the property. Negotiations will occur with the landowners via a broker. Prior to purchase Council will be advised of the outcomes of the negotiations.

### **Motion**

**Moved Cr Peter Hemphill, seconded Cr Tony Briffa, that Council reopen the meeting to members of the public.**

**Carried**

## **13 In Camera Report**

### **Item 13.1**

#### **Purchase of Land**

**Recommendation**

In accordance with s89(2)(d), (e) and (h) of the *Local Government Act 1989*, Council may resolve that the meeting be closed to members of the public if the meeting is discussing contractual matters, proposed developments and any matter which Council considers would prejudice Council or any person.

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**Recommendation****That Council:**

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- 2. Note the preparation of a feasibility study for affordable housing on the north and south ends of 7-43 Epsom Street will also include 45 Epsom Street.**
- 3. Authorise the Chief Executive to execute documents to effect the purchase of 45 Epsom Street, Laverton.**
- 4. Review the confidential status of this report and attachment within one year**

**Summary**

In 2014 Council purchased the former Laverton Primary school site on Epsom Street, Laverton (7-43 Epsom Street) for the purpose of open space and exploring the feasibility of providing affordable housing on the site. Located in the south-west corner of this site is 45 Epsom Street. This land is approximately 675sqm and has recently been placed on the market asking price \$610,000- \$670,000.

The former Laverton Primary School site, 7-43 Epsom Street is currently undergoing a Master Plan process for open space with affordable housing proposed at the north and south of the site. The subject site, 45 Epsom Street (appendix 1) offers an opportunity to provide an integrated development outcome on 7-43 Epsom Street. As a result of this it is proposed that Council should consider the purchase of the site to improve the development opportunities for the community, amenity, connectivity throughout the site, and the integration of residential development with open space.

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## Background

The Council owned land at 7-43 Epsom Street, Laverton is 14,400sqm and has frontages on both Epsom and Fitzroy Street. In the south-west corner of the site is 45 Epsom Street. This land is approximately 675sqm and includes a three bedroom home. This parcel of land has recently been placed on the market. The land is currently zoned General Residential (GRZ).

Council is currently working through a Master Plan process for the development of the Council land at 7-43 Epsom Street. This includes approximately 9,250sqm of open space in the centre of the site and 5,200sqm of land split across the north and south of the site for affordable housing (see appendix 2).

The affordable housing components on 7-43 Epsom Street are still being worked through however initial draft plans indicate that having 45 Epsom Street next to the proposed residential development could inhibit and risk development outcomes for Council and the community.

## Discussion

The purchasing of 45 Epsom Street has been identified as being able to provide a key opportunity for improving the redevelopment options of 7-43 Epsom Street. The purchasing of this site could allow Council to:

- create a more holistic design and development for the whole site and its surrounds
- improve sound attenuation opportunities across the whole site which could benefit the wider community
- minimise impacts on surrounding residential developments (especially amenity on 45 Epsom Street if it was not purchased)
- provide consistency of design throughout the site at the southern end, including the integration of the centre open space and public surveillance addressing potential safety matters
- potential to provide a more considered design response to the open space features and increase integration between built form and open space
- increase the dwelling yield, increasing the availability of affordable housing and or potentially increasing return in investment depending on the development model chosen

The land is currently zoned General Residential. A title search has been undertaken which identifies that land is on four individual titles and there are no covenants or caveats that would prevent the development of the site.

There is a sewerage easement on one title in favour of the Melbourne Metropolitan Board of Works. The easement will have minimal impact on the development of the site.

Due diligence is still to be undertaken on this site. Further investigations will be undertaken in relation to land use including assessments such as vegetation, an Environmental Site Assessment and an asbestos assessment.

The next steps are to undertake further diligence on the property. Negotiations will occur with the landowners via a broker. Prior to purchase Council will be advised of the outcomes of the negotiations.

## Strategic Alignment

This report specifically addresses the following priority of the Hobsons Bay 2030 Community Vision, priority 1: Visionary, vibrant, accountable urban planning.

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This report specifically addresses the following goal and objective of the Council Plan 2017-21, goal 1: An inclusive and healthy community, objective 1.5 understand the current and future needs of our community, and work to ensure those most vulnerable in our community are safe and have equitable and timely access to the support they need.

This report also aligns with Council Affordable Housing Policy Statement 2016 and Advocacy Strategy 2014-18.

### **Policy and Previous Council Reports**

This is the first Council Report that has been received in relation to 45 Epsom Street, however this site has been mentioned in previous Council Reports in relation to the 7-43 Epsom Street, Laverton as it abuts this land and has potential impacts on development outcomes.

### **Legal/Statutory Obligations/Risk**

A review of the property titles have been undertaken and there are no covenants or caveats that would prevent the redevelopment of the site. There is a sewerage easement on the title at the corner of Epsom Street and Alma Avenue. The easement will have a minimal impact on any proposed development.

Council is yet to be provided with a valuation or undertake diligence and terms for the purchase of this site. This will be undertaken within next steps.

If purchased, Council lawyers will protect Council's interests throughout the transaction. Additional diligence will be undertaken throughout this process by Councils lawyers.

If not purchased this site puts Council's broader affordable housing project on 7-43 Epsom Street at risk of not being about to reach a full yield outcome or the best design outcomes for the community.

### **Financial and Resource Implications**

Council is yet to undertake a formal valuation of the property. The property is currently advertised between \$610,000- \$670,000. The rates valuation indicates a capital improved value of \$571,000. A valuation will provide Council with an assessment of the current market value. The purchasing of the site can be enabled via the use of a broker.

The purchase of the property can be funded out of the infrastructure reserve, Other minor cost such as maintaining the property until it is ready for inclusion with 7-43 Epsom Street will be identified and met during the financial year.

In relation to use of the site in collaboration with the 7-43 Epsom Street development, Council submitted an application to the Social Housing Investment Planning Grant Program (SHIP) in relation to the Epsom Street Affordable Housing Project and were successful. The grant is for \$140,000 which will be used to support the funding of external expert reports needed to undertake the feasibility of the affordable housing project on 7-43 Epsom Street. Council is yet to negotiate the funding agreement with the State Government therefore this can potentially include 45 Epsom Street within the affordable housing feasibility analysis.

### **Environmental/Social/Economic Impacts**

If purchased this site would improve amenity within the border development on Epsom Street. It would also increase opportunities for affordable housing, integration with open space, and connectivity throughout the site.

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**Consultation and Communication**

Community consultation has not been undertaken in relation to the purchasing of this site however community consultation has been undertaken in relation to affordable housing on the north and south end of 7-43 Epsom Street and the redevelopment of the site for open space. If Council purchased 45 Epsom Street this site would be included in the broader plans for 7-43 Epsom Street and the subsequent community consultation.

**Officer Declaration of Conflict of Interest**

Section 80C of the *Local Government Act 1989* requires members of Council staff and persons engaged under contract to provide advice to Council, to disclose any direct or indirect interest in a matter to which the advice relates.

Council officers involved in the preparation of this report have no conflict of interest in this matter.

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## **13 In Camera Report**

### **Item 13.1**

## **Confidential Appendix**

### **Purchase of Land**



# Stockdale & Leggo

Laverton Station  
400m

45  
Epsom St,  
Laverton

675m<sup>2</sup> Block

All Sizes Are Approximate Only

EPSOM STREET

Stockdale & Leggo

- MULTI-LEVEL HOUSING**  
Variety of Housing types, including 1, 2 and 3 bedroom apartments;  
Housing types and ratios are subject to further feasibility studies and authority requirements.
- PEDESTRIAN ACCESS**
- COMMUNAL OPEN SPACE**  
Communal Open Space for Housing residents.
- VEHICULAR ACCESS**
- SEPARATION OF HOUSING AND PUBLIC OPEN SPACE**  
Defined by landscape techniques (other than tall, solid fences).
- UNDERCROFT OR BASEMENT CAR PARK**  
Driveway provides buffer between housing and public Open Space -  
car parking provided beneath southern edge of apartment building.
- EXISTING TREES**  
Existing trees located along the street edges are to be retained unless structurally unsound.
- PUBLIC OPEN SPACE**  
Over 9,000 sq.m. of contiguous Public Open Space to future design.
- MULTI-LEVEL HOUSING**  
Variety of Housing types, including 1, 2 and 3 bedroom apartments.
- SEPARATION OF HOUSING AND PUBLIC OPEN SPACE**  
Defined by landscape techniques (other than tall, solid fences).
- VEHICULAR ACCESS**
- CAR PARK**  
Vehicular access provides physical buffer between housing and neighbouring property to the south.
- COMMUNAL OPEN SPACE**  
Communal Open Space for Housing residents.

