

Why is Council selling land?

Council has identified a number of projects our community has told us it wants. The extension of the Diamond Creek Trail, new sporting pavilions for Diamond Creek Netball, Research Park and Marngrook Oval and other community assets. This will all help to increase tourism, female participation in sport, and improve Nillumbik's overall health and wellbeing.

To pay for this we were faced with a number of options including:

- increasing rates by around 30 per cent
- increasing Council's debt, costing millions per year in interest
- reducing the essential services Council provides to the community, or
- selling vacant land that has no current use, costing ratepayers thousands of dollars a year in maintenance.

Just like all levels of government, council regularly buys and sells land and assets it no longer requires.

What will the money be used for?

The money from the sale of the underutilised land will go towards a number of infrastructure projects including:

- The extension of the Diamond Creek Trail
- Lot 1 Graysharps Rd Hurstbridge open space project
- Research Park Sports Pavilion
- Marngrook Oval's new pavilion at Diamond Creek
- Diamond Valley Sports and Fitness Centre upgrade and additional basketball courts
- Eltham Central Oval community hub, cricket, football and U3A
- Diamond Creek Netball pavilion

The money will also go towards paying down the \$13.8 million of debt from the previous council which is currently around \$800,000 a year in interest payments, which could be spent on other important community projects and services.

Why can't you increase everyone's rates to pay for these projects?

This option must be ruled out for two reasons.

Firstly this Council is committed to a low rates strategy. When the new Council took over, Nillumbik had the highest rates in Victoria. In the first year, this Council did not increase rates at all – the only Council in Victoria to do this.

Secondly, rates would have to be increased by around 30 per cent. This is not permitted under the State Government's rates capping legislation. The State Government mandates the maximum rates increase permitted by Councils. Last year it was 2.5 per cent.

Does this mean if the land is not sold, these projects will not go ahead? Or that rates will need to increase in order for them to be upgraded?

Council is committed to building these legacy projects. These projects will increase tourism, female participation in sport, and improve overall health and wellbeing.

If Council does not sell these assets, it will have to investigate borrowing more money. This should be a last resort, as the previous Council left a \$13.8 million dollar debt which is costing us an additional \$800,000 a year just to pay the interest. If we increase this debt, Council will be leaving a legacy of debt for future generations.

What is the land currently used for?

The parcels of land identified are vacant blocks with no plan for Council to utilise or develop in the future. The blocks are costing the ratepayers thousands of dollars per year to maintain with no community benefit.

Why does Council own this land?

There are a number of reasons why Council owns these parcels of land. Many of these blocks are remnants of subdivisions allocated to Council for land divisions or road reserves.

How did Council choose the land to sell?

Council undertook a review of a larger number of properties. These particular vacant blocks were not earmarked for future use and did not align with Council's direction for open space. There are no plans to do anything with these vacant sites.

What will happen with the reserve status?

Many of these parcels of land have reserve status on their title. This means it has previously been earmarked for open space uses and not building on. The reserve status will need to be removed to maximise the value of the land.

Do any of the properties need to be re-zoned?

Two of the properties are zoned Public Park and Recreation Zone which requires Council to apply for a change of zoning to the Minister of Planning. This will begin following Council's community engagement process on the intent to sell.

The remaining properties are zoned for residential purposes.

Can these properties be sold to developers and turned into high-rise housing developments?

Any future development on these parcels would be subject to the current planning controls. Some properties will be sold with a 173 agreement which will provide restrictions around what can and can't occur, including residential uses, building heights or the number of storeys permitted.

Why can't Council turn these into Public Open Space for children to play in?

Council has 65 parks and playgrounds within our Shire, most of which promote passive recreation. Council believes it is important to also support improved infrastructure, like sports facilities and shared use trails. These will promote active recreation, attract visitors and increase economic opportunities for local retailers.

What happens when Council sells all its assets? Will the rates go up?

Just like all levels of government, Council continually invests in its property portfolio. Just like any investor, Council looks at investing in appropriate assets that have a higher rate of financial return.

How will the sale of the land affect my property values?

There is no sound evidence to suggest that a residential development in an existing residential area would affect the value of adjoining properties or on property values in the vicinity.

What will be built on the land after it is sold?

Any development will be subject to local council and state government planning laws.

How will the sale of the land affect traffic/parking in my area?

The sale of these properties is spread across the entire shire, which means any additional traffic is likely to be widely dispersed.

What about the environmental significance of the land proposed for sale?

Many of the sites that contain vegetation are affected by overlays that require a planning permit to remove vegetation. On some sites, trees of significance have been identified and Section 173 agreements have been proposed to protect those trees.

Where can I find information about Zones and Overlays?

Nillumbik's planning scheme can be found at
<http://planning-schemes.delwp.vic.gov.au/schemes/nillumbik>

***Previous sales**

Round 1 Sales Completed (2002- 2011)

Hyde St, Diamond Creek (1 Lot)
Bullanoo Court Stage 1, Greensborough (3 Lots)
Bullanoo Court Stage 2, Greensborough (4 Lots)
Phipps Crescent, Diamond Creek (1 Lot)
Rankin St, Pantan Hill (2 Lots consolidated with Melb Water))
Bridge Street / Main Road, Eltham (3 Lots consolidated as 1 Lot)
937 Main Road, Hurstbridge (1 Lot)
Henry Arthur Drive, Diamond Creek (22 Lots)
Diamond Hills Drive, Greensborough (1Lot)
Ely Street, Eltham (1 Lot)
Kamarooka Drive, Wattle Glen (1 Lot)
31A Civic Drive , Greensborough (Transfer to Educ Dept as offset against purchase of Hurstbridge Secondary College site)
10 Graham Road, Kangaroo Ground (Transfer to Educ Dept as offset against purchase of Hurstbridge Secondary College site)
Total Gross Sales \$8.23m

Round 2 Sales Completed (2012 – 14)

Eltham Circulatory Road (2 Lots)
Eltham Circulatory Road (2 Lots)
Eltham Circulatory Road (2 Lots)
735 Main Road, Eltham (1 Lot) sale to CFA
3 Brisbane St, Eltham (1 Lot)
2 Fyffe St, Diamond Creek (1 Lot)
2 Grevillia Close. Eltham North (1 Lot)
Total Gross Sales \$7.39m

Round 3 Sales 2015-16 Completed

9 Pinnaroo Close, Hurstbridge (1 Lot) \$550k
1191 Main Road, Eltham (1 Lot) \$320k
30 Waigo Way, Diamond Creek (1 Lot) \$700k
Total Gross Sales \$1.57m

2016-17 Sales

Civic Drive Residential Subdivision (26 Lots) \$7.795m (ex GST)
20 Kent Hughes Road Eltham,(1 lot - sale to DELWP for inclusion in Yarra Parklands) \$60k
Total Gross Sales \$7.855m

Other Planned Sales (Cr Briefing 17 March 2015)

Yan Yean Road Properties (up to 9 Lots) – VicRoads Acquisition for road upgrade

Estimated Total Gross Sales \$1.0m

22 Luck Street, Eltham – to be sold 17/18 expected sales price \$1.6m