SPECIAL GENERAL PURPOSES COMMITTEE
7.30PM, 7 FEBRUARY 2006
(Presiding Member: Mayor K Barnett)

A special meeting of the General Purposes Committee will be held in the
Civic Centre, 128 Prospect Road, Prospect

AGENDA

1. ON LEAVE – Cr M Mitchell

2. APOLOGIES – Cr A Harris

3. MOTION ON NOTICE
   3.1 Motion on Notice re 250 Churchill Road – Cr B Wellby
      (Page 1 )

4. CHIEF EXECUTIVE OFFICER’S REPORT
   4.1 250 Churchill Road
      (Pages 2-7 , recommendation on page 6)

5. CLOSURE

Ray Pincombe
Chief Executive Officer

3 February 2006
Councillor B Wellby, having complied with the provisions of Regulation 13(3) of the “Regulations Under the Local Government Act, 1999” will move:

1) That the property at 250 Churchill Road is fully remediated (ie decontaminated) before any sale takes place.

2) That the position of Council be made known to the State Government via a letter to appropriate ministers and department heads.
ITEM NO.: 4.1 ON AGENDA

TO: Special General Purposes Meeting on 7 February 2006

FROM: Chief Executive Officer

SUBJECT: 250 Churchill Road

1. PURPOSE OF REPORT

1.1 To provide an update on progress on the 250 Churchill Road project since the Council meeting 13 December, 2005 and to consider a motion on notice from Cr B Wellby on the remediation of the site.

2. RELEVANCE TO STRATEGIC DIRECTIONS / POLICY

2.1 The zoning and development of the site at 250 Churchill Road are important parts of council’s strategy to achieve its vision.

3. COMMUNITY INVOLVEMENT

3.1 The community have been consulted on the zoning of the land and have advised council they are in support of a change to the zoning, from light industrial to a zone which encourages a mix of residential, commercial, open space and wetland opportunities.

4. DISCUSSION

4.1 At the Special Council meeting on Tuesday 13 December, 2005 the Council developed a response to the State Government decision to undertake an Expression of Interest on the land at 250 Churchill Road.

4.2 The Council resolved:

(1) That Council notes the Minister’s intent to release 250 Churchill Road for sale in early 2006.

(2) That Council immediately prepare a submission to LMC outlining its objectives for the site.

(3) That Council immediately lodge an application with the relevant authorities to re-zone the site.

(4) That the CEO actively promote the site to potential residential developers.

(5) That the Council actively engage the public in the process.

(6) That this Council expresses its regret with the Government’s decision not to agree to re-zone the land residential/commercial/wetlands.
4.3 Since the meeting the following progress has been made on the Council resolution:

- Hon P Conlon, Minister for Transport, Energy & Infrastructure advised of Council decision.

- The rezoning application lodged with Hon P Holloway, Minister for Urban Development & Planning and Planning SA.

- Submission presented to LMC outlining Council objectives and vision for inclusion in the Expression of Interest (EOI) process.

- A package has been developed for potential residential development and this has been forwarded to a range of developers. We have also requested the LMC to make this package available to any developers making enquiries as part of Council’s input to the EOI process.

- Letters were sent to the Focus Group members, who were also contacted and a meeting has been set up for Wednesday 15 February, 2006.

- Letters have been sent to over 700 residential and business premises in proximity to the land to advise them of the current position. They have also been offered the opportunity to have a more active involvement in the process and/or receive further updates on the outcome of our negotiations and the EOI process.

- A meeting was held with Hon Pat Conlon, Minister for Transport, Energy & Infrastructure and Hon Jane Lomax Smith regarding the State decision and Council’s response. (This is discussed further below) A letter was sent to the Minister as an outcome of the meeting.

- A meeting was held with Hon Paul Holloway, Minister for Urban Development & Planning to discuss the Council submission for rezoning. This is also discussed further below.

- A motion on notice was received from Cr Brian Wellby regarding the remediation of the land. That motion is included in your agenda and is discussed further below.

4.4 Meeting with Minister Conlon (Wednesday 25 January 2006). At this meeting Council raised the following concerns:

- The need to be prepared to change the Development Plan and the time lag to upgrade the Plan.

- The need to undertake investigation into the options for upgrading the Development Plan.
• The prospect of a quick sale prior to the update of the Development Plan. The Memorandum of Information distributed by LMC includes a prospective settlement date of 5 May, 2006. This would place significant emphasis on the conditions of settlement. We were concerned about the potential for a development based on the current zoning provisions, which are deficient in a number of areas. Council could be faced with the prospect of a development they did not want and have little control over the outcome.

• The developers would be focusing on the current Development Plan and would have little concept of what a potential PAR would contain.

• The need to ensure that remediation of the land was a priority in any agreement to sell.

4.4.1 We believe good progress was made on the above issues. While the Minister was strongly of the view that the market would decide the eventual outcome there was a commitment to involve Council in discussions once the EOI closed.

4.4.2 There was no express view that any decision needed to be made quickly and this would enable Council input into the process. It would also allow us to provide a view on the need to upgrade the Development Plan and support for change to the Plan based on the preferred development option.

4.4.3 On the issue of contamination and remediation the Minister reiterated the Government position ie that they would consider the response to the EOI and any potential sale would pass responsibility for remediation to the purchaser.

4.4.4 A letter has been sent to the Minister outlining the above issues and requesting confirmation of the agreements reached (see Attachment 1). Further details will be provided on Tuesday night.

4.5 Meeting with Minister Holloway (and Bronwyn Halliday, Executive Director of Planning SA) held Thursday 2 February 2006.

4.5.1 We advised the Minister of our concerns over the time needed to prepare the PAR if the Statement of Intent (SOI) was not progressed quickly (to coincide with any potential agreement to sell the land).

4.5.2 The advice from the Minister and Planning SA is that the State was not prepared to progress the SOI until the outcome of the EOI process was known. They were of the view, however, that Council could undertake investigations and identify potential changes to the plan outside the SOI process. This would normally be part of the SOI process, however, given the circumstances of the site it is the only way we will be able to accelerate the eventual PAR. We will explore a range of options to support changes to the Development Plan including ESD principles and open space provisions.

4.5.3 Despite the refusal to agree to progress the SOI, positive progress was made in regard to agreement on processing the PAR once the outcome of the EOI is established. Further details will be provided on Tuesday 7 February, 2006.
4.6 Motion on Notice

4.6.1 The motion on notice from Cr Wellby requests that the Government remediates the land prior to any sale. The contamination of the site and remediation was an important issue in negotiations prior to the State Government decision. One of the outcomes of Council’s consistent approach to the contamination issue was the commissioning, by Transport SA, of a further study into contamination in early 2005. This study provided further insights into the contamination and cost estimates for remediation for different types of development. The Executive Summary of the report was previously provided to Elected Members. It is also included in the LMC’s Information Memorandum on the site and this was provided to Elected Members under separate cover.

4.6.2 The decision to put the land through the EOI process was made by the Government to identify whether developers were prepared to take the risk of purchasing unremediated land.

4.6.3 They (State Government) have stated that they do not want to remediate the land prior to sale due to the uncertainty over the preferred type of development. While the view expressed in Cr Wellby’s motion is in line with the view expressed by Council in the ongoing negotiations now the EOI process has commenced it is extremely doubtful the State would agree to such a request.

4.6.4 One of the reasons underlying the State decision is that until the preferred type of development is known the extent and cost of remediation will be unclear. It is difficult to see them agreeing to a decision to remediate the land prior to the outcome of the EOI process. This doesn’t stop the Council taking any position it believes is in the best interests of both Council and the community. What is important is that our position has the most impact on the eventual outcome. Any agreement to sell the land must have clear conditions in the agreement requiring the relevant purchaser to ensure the remediation is undertaken to make the site safe for its proposed use in the longer term.

4.6.5 It would be beneficial to Council to gain State Government support to ensure that remediation of the land is a priority issue in any agreement to sell the land.

4.6.6 The State via LMC has been requested to advise on the current state of the land in regard to community safety and an update on this matter will be provided on Tuesday. The remediation of the site is one of the most important issues for Council and the views of the focus group will be an important part of our consultation process.

5. PREFERRED OPTION & JUSTIFICATION

5.1 Despite the Council not progressing its objective of rezoning the land at this stage we have received assurances that the opportunity to update the Development Plan will be provided to Council prior to any development of the land.

5.2 We have the opportunity to undertake our own investigations relating to potential changes to the Development Plan and this will be progressed.
5.3 We also have agreement that the State will not finalise the sale of the land without taking Council’s views into account.

5.4 We should progress negotiations with all relevant parties and also take the view to the State Government that we are concerned about the remediation of the site and need assurances that any sale be conditional on the appropriate remediation.

6. RECOMMENDATION

6.1 It is recommended:

(1) That the report be received and noted.

(2) That the State Government be advised of the importance of remediating the site and requested to include appropriate conditions relating to site remediation in any sale of land agreement for 250 Churchill Road.

(3) That the State Government be requested to confirm in writing that any transfer of land will provide for appropriate conditions of sale so as to ensure sufficient time for rezoning.

Ray Pincombe
Chief Executive Officer
1 February 2006

Hon P Conlon MP
Minister for Transport, Energy & Infrastructure
GPO Box 2969
ADELAIDE SA 5001

Dear Minister

250 CHURCHILL ROAD

Thank you for meeting with us on Wednesday. We appreciated the open and frank discussion and your preparedness to work with the City of Prospect to achieve the best possible outcome for development of the land.

I wish to reiterate Council’s concerns over the current zoning of the land and emphasise that our issue is the potential development of the land under the current development plan. We strongly support the State’s agreement to rezone the land if the Expression of Interest (EOI) process indicates strong support from the development community for a residential or open space development. The major issue for Council is if the strongest interest is in industrial development. If this is the case we wish to confirm that Council would like the opportunity to update the existing development plans, prior to transfer of ownership of the site.

Another concern in the current process was the potential for a reasonably quick decision to be made by the Government on the EOI. We are delighted with your agreement to consult with Council once the EOI has closed and prior to any decision being made by the State in regard to the land. This would provide Council with the opportunity to provide input into any such decision.

Would you please confirm these arrangements and we will work with LMC to put them in place.

As indicated at our meeting the Council wants to progress the Statement of Intent (SOI) to ensure that potential options to change the development plan are investigated so we are ready to update the development plan as soon as possible after any decision is made to sell the land. The SOI has been with Planning SA since early 2003 and has been held up during negotiations on 250 Churchill Road. A meeting is arranged for Thursday 2 February with the Hon Paul Holloway to progress the matter.

We look forward to a good outcome.

Yours sincerely

Ray Pincombe
Chief Executive Officer

The City of Prospect - A Creative Community - Visit Our Website: www.prospect.sa.gov.au