

14.1 INTENTION TO LEASE: (PART) 69 WHITE STREET, SOUTH MELBOURNE - REPORTING SUBMISSIONS IN RESPONSE TO PUBLIC NOTICE

EXECUTIVE MEMBER: CHRIS CARROLL, GENERAL MANAGER, CUSTOMER, OPERATIONS AND INFRASTRUCTURE

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1. PURPOSE

- 1.1 To note that no submissions were received in response to Council's notice published in accordance with section 190 of the *Local Government Act 1989* ("the Act") advising of its intention to lease part of 69 of White Street, South Melbourne, and to seek authorisation to enter into the lease.



2. EXECUTIVE SUMMARY

- 2.1 Council recently published a notice informing the public of its intention to lease part of 69 White Street, South Melbourne, inviting submissions of feedback, (**Attachment 1**).
- 2.2 The purpose of the proposed lease is to allow the site to be used by a (yet to be determined) external contractor as a base from which to maintain the municipality's civil infrastructure, under a service agreement for which a tender is underway.
- 2.3 The intention to lease notice period closed on the 16 March 2021 at 5pm.
- 2.4 No submissions were received.
- 2.5 Officers recommend that a lease be entered into, should one be required as an outcome of the tender for the for the provision of civil infrastructure maintenance services.

3. RECOMMENDATION

That Council:

- 3.1 Notes that it has published a public notice of its intention to lease part of 69 White Street, South Melbourne, under section 190 of the *Local Government Act 1989* ("Notice").
- 3.2 Notes that no submissions responding to the Notice were received.



- 3.3 Authorises the Chief Executive Officer (or their delegate) to enter into a lease for the relevant parts of the Council owned property at 69 White Street, South Melbourne, for market rent, and for a term aligning with the associated service agreement, and to affix the Common Seal of Council, should that be required.

4. KEY POINTS/ISSUES

- 4.1 69 White Street, South Melbourne is a base for Council's civil infrastructure maintenance operations – including part which is used by a contractor to deliver those services on behalf of Council.
- 4.2 The current service contract is expiring soon. City of Port Phillip has invited offers to provide that service, with the opportunity for the successful tenderer to lease part of the Council depot during the term of the new contract to provide the service.
- 4.3 Council is required under the *Local Government Act 1989* (the "Act") to give public notice of its intention to lease the site, and to consider any submissions received. It must do so prior to determining whether to enter into a lease.
- 4.4 Accordingly, Council resolved on 3 February 2021 to notify the public of its intention to lease the site, and invited submissions.
- 4.5 Consequently, a notice (**Attachment 1**) was published in *The Age* newspaper on 15 February 2021 informing of Council's lease proposal, and noting of the right of any person to make a submission and to speak to that submission before Council.
- 4.6 The notice was also published on Council's website.
- 4.7 Council is required to consider any submissions received prior to determining whether to proceed with a lease agreement.
- 4.8 However, no submissions were received during the notification period.
- 4.9 Officers now seek Council's authorisation to enter into the lease.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 Complying with its statutory obligations, Council has invited public submissions on its intention to lease the subject property.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 The City of Port Phillip leases land in performing its functions and exercising its powers. Its right to do so is confirmed by Section 5(2)(d) of the *Local Government Act 1989*.
- 6.2 However, section 190 of the Act requires Council to consult residents and ratepayers on any proposal to lease land and prescribes a process for doing so.

7. FINANCIAL IMPACT

- 7.1 The proposed lease requires the tenant to pay City of Port Phillip market rent.

8. ENVIRONMENTAL IMPACT

- 8.1 No material environmental implications arise from the recommendation of this report.

9. COMMUNITY IMPACT

- 9.1 This initiative promotes transparent governance and an actively engaged community.



10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

10.1 This report, including its recommendations, support Council Plan direction 6: “Our commitment to you”.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

11.1.1 Subject to the recommendations being adopted, Officers will enter into a lease, should that be required as an outcome of the tender for the provision of municipal infrastructure maintenance services.

11.2 COMMUNICATION

11.2.1 Council actively manages its property portfolio, including leasing out property assets to support its service delivery.

11.2.2 When doing so it observes the relevant statutory obligations.

12. OFFICER DIRECT OR INDIRECT INTEREST

12.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.

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ATTACHMENTS 1. Attachment 1 - Notice of Intention to Lease