

ITEM 10 PROPOSED ACQUISITION OF 42 MIRRABOOKA ROAD, LAKE HEIGHTS UNDER THE VOLUNTARY PURCHASE SCHEME FOR FLOOD AFFECTED PROPERTIES

Council has an adopted Voluntary Purchase Scheme for the Minnegang Creek catchment area as part of its flood mitigation strategy. Number 42 Mirrabooka Road, Lake Heights, has been identified as a site to acquire under the Voluntary Purchase Scheme.

This report seeks Council's authority to proceed with the acquisition.

RECOMMENDATION

- 1 Council authorise the acquisition of 42 Mirrabooka Road, Lake Heights, as shown on the black hatching on the attachment to this report subject to the following conditions:
 - a Funding be provided by the Department of Climate Change, Energy, the Environment and Water for two-thirds of the purchase price, two-thirds of the demolition costs and two-thirds of the reasonable legal and valuation fees.
 - b The remainder of the acquisition costs be provided from Council's Capital Budget Contingency.
- 2 Upon the acquisition being finalised, 42 Mirrabooka Road, Lake Heights, (Lot 334 DP 201106) be classified as Community land in accordance with the Local Government Act 1993.
- 3 Authority be granted to the Lord Mayor and the General Manager to sign any documentation necessary to finalise the acquisition and to affix the Common Seal of Council where necessary.

REPORT AUTHORISATIONS

Report of: Lani Richardson, Manager Commercial Operations + Property
Authorised by: Kerry Hunt, Director Community Services - Creative and Innovative City

ATTACHMENTS

- 1 Acquisition Location Map for 42 Mirrabooka Road, Lake Heights

BACKGROUND

The Minnegang Creek Floodplain Risk Management Study completed in 2004 and adopted by Council identified a range of flood mitigation options for the Minnegang Creek catchment area.

The recommendation in the report was to acquire six properties in Mirrabooka Road and Weringa Avenue in Lake Heights to reduce the threat to personal safety and flood damage as well as facilitating the creation of a dedicated flow path connecting Barina Park detention basin to Minnegang Creek. To date two of the six properties have been purchased by Council under the Voluntary Purchase Scheme.

Having previously made enquiries with the owners of 42 Mirrabooka Road, Lake Heights to voluntarily sell their property under the Voluntary Purchase Scheme, the owners contacted Council following a significant flood event in April 2024 indicating that they would now be interested in selling.

After consultation with the Department of Climate Change, Energy, the Environment and Water in relation to funding availability, Council's Stormwater Division advised Property Services to proceed with acquiring 42 Mirrabooka Road, Lake Heights, under the Voluntary Purchase Scheme.

A Funding Agreement has been entered into between Council and the Department of Climate Change, Energy, the Environment and Water with a funding ratio of 2:1 which aligns with the Voluntary Purchase Scheme guidelines.

An independent market valuation report was obtained to assess the market value of the property. The agreed purchase price reflects the valuation amount in the market valuation report. The details have been circulated to Council under separate cover.

The property has a dwelling house located on it. In accordance with the Funding Agreement, two-thirds of the demolition costs will be paid by the Department of Climate Change, Energy, the Environment and Water provided the demolition happens within twelve months of the settlement date or unless an extended period is agreed to.

PROPOSAL

It is proposed that Council acquire Lot 334 DP 201106 known as 42 Mirrabooka Road, Lake Heights, in accordance with the conditions outlined in this report.

CONSULTATION AND COMMUNICATION

- Floodplain Management and Stormwater
- Herron Todd White, Property Valuers
- Department of Climate Change, Energy, the Environment and Water
- Property owner of 42 Mirrabooka Road, Lake Heights

PLANNING AND POLICY IMPACT

The acquisition is in accordance with Council's Policy "Land and Easement Acquisition and Disposal".

This report contributes to the delivery of Our Wollongong 2032 Goal - "We value and protect our environment".

It specifically delivers on core business activities as detailed in the Property Services Service Plan 2024-25 being the "sale and purchase of land on behalf of Council".

FINANCIAL IMPLICATIONS

The Department of Climate Change, Energy, the Environment and Water has committed to funding two-thirds of the purchase price, the reasonable legal and valuation costs as well as any asbestos removal.

If the house is demolished within 12 months of the settlement date, then two-thirds of the costs will be paid by the Department of Climate Change, Energy, the Environment and Water.

Council funding is required from the Capital Budget Contingency. The Capital Budget Contingency Adjustment will be made through the monthly reporting process once confirmation of a settlement date is confirmed.

CONCLUSION

The acquisition is consistent with the recommendations in the Floodplain Risk Management Plan and will assist in mitigating the flood risk in the Minnegang Creek catchment area.

