



Policy 312

Property Development and Investment Policy 2010

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Background

This **Property Development and Investment Policy 2010** is prepared in response to the following Mayoral Minute recorded on 9 November 2009:

That a Property Development and Investment Strategy be prepared for Council, which reviews Council's existing property portfolio, identifies strategic sites, evaluates the redevelopment opportunities and makes recommendations which contribute towards maximising Council's long term financial sustainability.

Objective

The Policy Objective is to unlock value from surplus and under-utilised property assets and to re-invest in Strategic Infrastructure and high performing investment portfolio.

This objective aligns with Council's Long term Financial Plan and will provide an independent source of revenue that will establish a foundation for Council's future sustainability.

Application

This **Policy** applies generally to all Property Development activities undertaken by Council including;

- generating proceeds from the sale of Surplus Property Sites,
- leveraging value from Property Development Opportunity Sites,
- delivering Strategic Council Infrastructure and
- establishing and growing a strong Property Investment Portfolio.

Definitions

The following definitions and expressions are used in this **Policy**:

Surplus Properties – Property or Properties nominated initially in the Surplus Properties Report in the Property Development and Investment Strategy 2010, and subsequently nominated in updated Surplus Properties Reports ratified by Council from time to time.

Property Development Opportunity Sites – Property or Properties nominated initially in the Property Development Opportunity Sites Report in the Property Development and Investment Strategy 2010, and subsequently nominated in updated Property Development Opportunity Sites Reports ratified by Council from time to time.

Strategic Infrastructure – This term refers to specific Infrastructure or Construction that is:

- a) proposed to be removed to facilitate future Property Development activities and is to be replaced; or
- b) proposed as part of Property Development activities that would otherwise not be able to be funded from Council's other funding sources.

Property Development Proposal – A report prepared by the Development Director and submitted to Council for a Property Development project. This Proposal will contain feasibility and valuation advice as well as a project action plan and anticipated cashflow projections and anticipated risk mitigation and governance processes.

Principles

1. Surplus Properties are to be identified and presented to Council prior to being sold to generate net proceeds which will be allocated to a Property Development reserve exclusively for the funding of activities contemplated under this Policy
2. Property Development Opportunity Sites are to be identified and prioritised for feasibility study and potential redevelopment.
3. Property Development Proposals and proposed delivery options for each Property Development Opportunity Sites will be presented to Council for review before proceeding on each Project.
4. Investment Properties and Proceeds generated by Property Development activities will be managed as part of the Property Development Investment Portfolio.
5. Portfolio performance will be monitored and reported to Council annually and included in quarterly reporting.

Related and Associated Council Policy and Procedures

This **Policy** identifies responsibilities regarding some Property related functions and should be read in conjunction with Council's Strategic Asset Management Plan.

This **Policy** will prevail in the event of any inconsistency between the documents.

Responsible Officer / Policy Owner

The implementation of this **Policy** will be the responsibility of the Development Director – Civic Place alternatively referred to as Director Property Development.

Responsibilities

The responsibilities of the Policy Owner include:

- implementing and giving effect to Council's decisions in relation to this Policy
- maintaining records
- reporting activity and performance to the Executive, CEO and Council
- reviewing and updating the Policy, Procedures and Guidelines
- providing a point of contact for all matters relating to this Policy

Further detailed responsibilities will be incorporated into Procedures and Guidelines established by the Director Property Development and updated from time to time.

Approval

This **Policy** was adopted by Council at a meeting on 26 July 2010.

Monitoring

The Director Property Development will continuously monitor and manage the implementation of this policy and report progress and performance to the Executive on a quarterly basis for inclusion into the quarterly Reports and report to Council annually before the end of each financial year.

Review Date

The **Policy** will be reviewed by the Director Property Development annually.

Record Keeping, Confidentiality and Privacy

All record keeping and reporting will be the responsibility of the Development Director.

Documents and Reports generated under this Policy are likely to involve matters that are commercially sensitive, and therefore these records are generally not to be made available for Public Access. Should an application be made for access it will be assessed in accordance with the relevant laws relating to the public disclosure of information by the appropriate officer.

Generally these records are to be restricted to the Property Development Team, the Executive, the CEO and the Council as requested.