Confidential Item

11.10 Property at 23 Meredith Street Newton

Cr Scalzi moved and Cr Barbaro seconded that Council rejects the current offer from SADB to purchase the property for $5.5 million and retains the property subject to the following:

1. Lease to remain as a 3 year lease with a 2 year extension commencing 1 July 2024, with the inclusion of an additional clause that from 1 July 2025, SADB can provide Council with 6 months notice to terminate the lease with no penalty to SADB.

2. Lease be varied to continue status quo whereby SADB are not required to pay Council rates.

3. Lease be varied to include a clause that should Council at anytime decide to Auction the site for sale then SADB would forgo their 1st Right of Refusal to purchase with no penalty to Council.

4. Council undertake the following maintenance/compliance issues as (required) at Council's expense:

    - Upgrade of electrical switchboards as they are not compliant
    - Repairs to roof as there are significant leaks - main office, lunchroom, and mechanic workshop, which has caused significant damage to office space ceilings - WHS Risk
    - All perimeter fences need urgent repair and replacement
    - Replacement of all gates
    - Major repairs required throughout the office to ceiling due to movement and water damage
    - All floor tiles need replacing as they are loose and broken Floor tiles and are a WHS risk
    - Current kitchen facilities in a state of disrepair and require upgrading
    - External painting is required.

5. SADB undertake the following maintenance/compliance issues (as required) at their expense:

    - Replacement of all gutters
    - Lighting upgrade (outside)
    - Retaining walls surrounding the property require urgent attention - deemed a WHS risk
    - Air conditioning - needs upgrading - currently not working in upper floor level
    - Overhead crane in main workshop - 10 year inspection required
    - Current toilets need upgrading - including the installation of a disability toilet
    - Shower facilities required
    - Further hard stand required - near depot bins and Staff carpark (Graves Street) over 400 sqm required to avoid drag out from vehicles
    - Wurley birds in workshop need replacing.

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6. Council when replacing the perimeter fencing set the fence back from Graves Street to enable the area to be planted to significantly improve the aesthetic appeal for Graves Street residents and the general Community.

7. Rent reviews be undertaken at the commencement of the new lease and the commencement of the optional extension with annual March CPI increases throughout the lease

8. The Chief Executive Officer is authorised to approve any further minor administrative amendments required to finalise the lease extension.'

9. Council consider the long term strategy for this land holding over the next 3 years.

Carried

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