

**Item No:** 14.5  
**To:** Council  
**Date:** 16 June 2020  
**Author:** Nigel Morris, Chief Executive  
**Subject:** OFFER FROM CROWN LANDS FOR THE PURCHASE OF SECTION 430 JETTY ROAD EXTENSION NORMANVILLE  
**Attachments:** A – Offer to Purchase Crown Land – Section 430 Hundred of Yankalilla  
**Prev. Resolution:** C17172, 21/11/17  
C19207, 15/10/19

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### Officer's Recommendation

1. That the Report be received.
  2. That Council accept the offer from Crown Lands (Attachment A) for the purchase of the land at Section 430 in the Hundred of Yankalilla incl GST, comprised in Crown Record Volume 5756 Folio 429 at the cost of \$106,997 and authorise the Chief Executive and Mayor to sign the Agreement and all necessary documents and use the Common Seal to give effect to this resolution.
  3. That Council confirms that the land will form a new freehold allotment in Council's ownership and will be classed as Community Land in accordance with Section 193(4a) of the Local Government Act 1999.
  4. That the amount of \$106,997 be added to the draft 2020/21 Annual Business Plan and Budget to execute the capital purchase.
  5. That the Mayor and Chief Executive write to the appropriate State Government Ministers requesting that the purchase price be returned to Council to assist with future stimulus projects.
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### Purpose

1. To inform Council of the outcome of the application to the Department for Environment and Water for the purchase of Section 430 in the Hundred of Yankalilla.

### Strategic Plan

2. The following Strategic Plan provisions are relevant:

NATURAL AND BUILT ENVIRONMENT: Protecting our natural resource assets.

## Proposal Impacts

Asset Management	✓	Legislation / Statutory / Policies	✓
Budget / Annual Business Plan	✓	Long Term Financial Management Plan	✓
Community Engagement	✓	Risk Assessment	
Economic Growth	✓	Service Standards	
Environment	✓	Social	
Legal Advice		Staff Resources	✓

## Report Preparation

3. This report was prepared by the Chief Executive Officer and Consultants.

Author	Time
Consultant, Leane Spain	2 hrs
Chief Executive Officer, Nigel Morris	3 hrs
<b>Total</b>	<b>5 hrs</b>

## Background

4. At the Council meeting 21 November 2017 a strategic decision was made by Council to tidy up the mixuture of land titles and unmade raods on the Normanville Foreshore with a view to making them all Community Land.
5. To get a complete background on this topic, readers are encouraged to download and read the November 2017 Council agenda.
6. At the time of the November 2017 meeting the individual tile or section on the Normanville Foreshore were classified as the following:

Title or Section	Classification
430	Crown
120	Community
460	Operational
Between 120 and 123	Road (unmade)
123	Road (unmade)
367	Community
117	Community
116	Community
115	Community
114	Community
Adjacent below 117 and 116	Road (unmade) Part western end of Naneegee Street



- Following the November 2017 meeting through a series of steps lot 460 was made Community Title, Between 120 and 123 and 123 roads were closed and merged into then Lot 460 (making them Community Title) and the unmade road adjacent below lots 117 and 116 was decided by Council to remain an unmade road.
- This created the current titles as illustrated below in blue (all Community Title)



Lot 430

9. The final piece of the “jigsaw puzzle” commenced in November 2017 was the crown title Lot 430 as illustrated on the following map:



10. The application to purchase Section 430 in the Hundred of Yankalilla is now in the final stage in a process started at the Council meeting on 21 November 2017 (C17172 in part):

5 *That the Chief Executive negotiate with Crown Land for the land or proportions of the land of Section 430 of Hundred of Yankalilla, Certificate of Title Volume 5756 Folio 429 (Identified as “430” in Attachment A) to be transferred or purchased by the Council.*

11. Section 430 was originally a Marine Board Reserve, on 28 February 1991 it was dedicated as a ‘Reserve for Community Purposes’ and declared to be under the care, control and management of the District Council of Yankalilla.
12. Section 430 in the Hundred of Yankalilla is located on the Normanville Foreshore, it’s a large site of 9,260sqm and it currently includes eight separate land uses and is in four different Community Land Use Plans. It is the only developed Crown Record in this locality because the other Crown Records are part of the heritage listed dune areas.
13. The separate uses are shown on the aerial photograph and are identified as:
- 13.1 Road
  - 13.2 Car park
  - 13.3 CWMS pumping station transferred to SA Water
  - 13.4 Public Toilets
  - 13.5 Caravan Park
  - 13.6 Tennis Courts
  - 13.7 Rear access to Café
  - 13.8 Rear access to Surf Life Saving Club
14. In April 2019, Premier and Cabinet released circular PC114 titled *Government Real Property Management*, an updated policy for the purchase and disposal of real property by South Australian Government agencies including the Crown Lands division of the Department for Environment and Water. A further update was provided in June

2019 specifically for Local Councils enquiring about the purchase of Crown land. The circular and further update provide guidance to Local Council's on the information to accompany an application for the purchase of Crown land.

15. The circular and further update are both in accordance with the Crown Land Management Act 2009 which sets out the following under Division 3 – Disposal of land:

*s.25(1) A disposal of Crown land by ... grant of the fee simple must be by public auction, public tender or such other open competitive process as the Minister may determine, unless –*

*(b) the land is disposed of to the custodian ... of the land and that custodian ... has constructed or made significant improvements on the land.*

***S25(2) The Minister must not dispose of Crown land under this Division for less than the market value of the Crown's interest in the land.***

16. This information was presented to Council at the 15 October 2019 meeting in reference to Lot 430. Council resolved (C17172):

*1. That the Report be received.*

*2. That Council make an application to the Department for Environment and Water to purchase the land at Section 430 in the Hundred of Yankalilla, comprised in Crown Record Volume 5756 Folio 429 and authorise the Chief Executive or his delegate to sign all necessary documents to give effect to this resolution.*

*3. That Council agrees, subject to the outcome of the application, that the land will form a new freehold allotment in Council's ownership and will be classed as Community Land in accordance with Section 193(4a) of the Local Government Act 1999.*

*4. A further report is to be submitted to Council tabling the outcome of the application and the proposed purchase price of the land and recommending whether the purchase should proceed.*

17. Following the Council meeting on 15 October 2019, an application was made to the Department for Environment and Water, to purchase Section 430 in the Hundred of Yankalilla.

18. The application to purchase Section 430 in the Hundred of Yankalilla was made in accordance with the Premier and Cabinet Circular PC114 released in April 2019 and a guidance note released in June 2019 with further information for Local Councils which stated the following:

*DEW will support the sale of Crown land to Councils for market value without competition where the land is intended for community use. The relevant Council will be required to place the land on the Council's Community Land Register under the Local Government Act 1999*

19. A Normanville Foreshore Masterplan has been proposed to be developed for the balance of the management plans by 2020/21.

**Discussion**

- 20. Council has now received an offer and has provided in Attachment A. The offer states the Minister for Environment and Water has approved the grant of Section 430 in fee simple and is offering to sell the land to the District Council of Yankalilla.
- 21. The purchase price is \$97,000 excluding GST and with GST and a documentation fee included, the total price to be paid is \$106,997.
- 22. The offer is open for 3 months from the date of the letter (20 May 2020) after which time it will lapse.
- 23. In accordance with the Crown Land Management Act 2009 under Section 25 (5) “the market value of the Crown’s interest in land will be determined by the Minister on the advice of the Valuer-General or a person who lawfully carries on business as a land valuer.” Council has not received any advice about the calculation of the purchase price, however the amount proposed by the Minister is considered a fair estimate of the market value of the Crown’s interest in the land and should be accepted.
- 24. While it is preferable that the transfer of this lot be performed from the State Government to Council at no cost it is noted that as highlighted in yellow above

*S25(2) The Minister must not dispose of Crown land under this Division for less than the market value of the Crown’s interest in the land.*

it therefore does not leave room for Council to negotiate on the purchase price.

- 25. It is however recommended that Council write the appropriate State Government Ministers requesting that the purchase price be returned to Council to assist with future stimulus projects.

**Conclusion**

- 26. That Council authorises the Chief Executive to accept and sign the Offer to Purchase Section 430 in the Hundred of Yankalilla, comprised in Crown Record Volume 5756 Folio 429 as provided by the Department for Environment and Water.
- 27. The completion of this process will complete the change over from multiple classifications on the left pre November 2017 to all Community title in yellow on the right as illustrated below:



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