

Acquisition and Disposal of Council Land 202^Y



Policy No: POL048
Policy Title: Acquisition and Disposal of Council Land
Section Responsible: Economic Development
Minute No/Ref: 2Y/XXX
Doc ID: 9160

1. INTENT

Council is committed to ensuring the responsible development of Narrandera Shire, including the Red Hill Industrial Precinct, through clear direction and clarity in the acquisition and disposal of land aimed at generating sustainable industry development, population growth and suitable residential developments that support Council's Community Strategic Plan for the benefit of the Narrandera Shire community.

2. SCOPE

This policy relates to all Council owned land in Narrandera Shire.

3. OBJECTIVE

- Facilitate effective management of Council's property assets.
- Provide principles of equity and transparency in Council's property dealings.
- Ensure that all dealings in property matters relating to Council owned property or property acquisitions by Council are handled within legislative requirements.
- Support the objective of generating alternative/additional forms of income for the Council through property development/investment.
- Establish a clear sales and pricing policy for allotments of Council-owned land.
- Provide an opportunity to negotiate requests for financial assistance.
- Provide a development incentive to all industrial land purchasers where infrastructure to be developed on the subject site will be used by or for employees working for the industry operating on the site. The infrastructure, as approved by the relevant Consent Authority in a development consent, must be an operational feature of the business being conducted on or from the site, and the infrastructure must be completed and operational within 12 months of the purchaser obtaining development consent from the relevant Consent Authority to attract an incentive.

The incentive will be a rebate to the purchaser of an amount equal to 10% of the purchase price paid by the purchaser for the subject site.

4. POLICY STATEMENT

Narrandera Shire Council recognises the importance of available land to meet the needs of expanding and new industry, and the demand for residential developments.

Council and its employees will respect the commercial interests of potential buyers by treating all land enquiries as 'commercial in confidence'.

Council is responsible for determining the selling price guidelines, financial assistance offers and release of further staged subdivisions.

All land acquisitions and disposals are undertaken with strategic purpose as Council endeavours to sustainably expand Narrandera Shire and increase the local economy.

Contracts for the Sale of Council Land may be subject to the following clauses:

- Development Applications requirements
- No Land banking

In addition to a Contract, Council exercises its right to include a Deed of Call Option where necessary or appropriate.

Purchasers must acknowledge that they enter a Contract with the intention of developing the site for the purpose of establishing a business or dwelling that will contribute positively to Narrandera Shire.

5. PROVISIONS

5.1 VALUING AND PRICING ALLOTMENTS

5.1.1 Valuing Non-Industrial Allotments

All non-industrial land, should ordinarily be benchmarked to:

- less than \$50,000 - value is estimated by Valuer General's Land valuation (on a pro-rata basis per square meter) or
- greater than \$50,000 - value is estimated by an independent valuation provided by a suitably qualified registered valuer.

Council will negotiate the purchase value and terms to ensure the best possible commercial outcome for Council and the community.

5.1.2 Valuing Industrial Allotments

All Industrial Land Allotments zoned IN1 General Industrial under Narrandera Local Environmental Plan 2013 are valued 'per block' according to the pricing structure outlined in 5.1.4, determining that price be calculated on the area (in square metres) of each respective parcel of land being sold.

The 'per block' value is according to the market value as determined by a qualified land valuer from time to time.

5.1.3 Pricing Structure Non-Industrial Allotments

To be informed by land valuations conducted by Value General and/or registered valuers in NSW.

5.1.4 Pricing Structure Industrial Allotments

Effective as of July 2025. All prices require are GST exclusi.

Lot Size	Price per Square Metre (GST Exclusive)
Up to 3,800 m	\$28.50
3,801m to 5,800m	\$28.00
5,801m to 7,800m	\$27.00
7,801m to 9,800m	\$25.50
9,801m to 18,000m	\$24.00
18,001m to 35,000m	\$22.00
More than 35,000m	\$20.00

5.2 LISTING AND SELLING ALLOTMENTS

The market value of parcels of land will be based on the evidence of recent sales and other market conditions and these will be used to determine if an offer to purchase is reasonable.

Real estate agents may sell Council-owned industrial land under the terms of their usual contract and commission arrangements. Agents must agree to a Memorandum of Understanding (MOU) (Attachment 1), which will entail that the agent provides guidance to buyers on how to obtain planning advice on development proposals the MOU also includes principles of effective communication between the agency and Council on potential buyers and information about the current market.

Council reserves the right as Vendor to sell land direct to a prospective purchaser.

- Each sale shall be supported by resolution of Council.

Real estate agents may market the sale of Council lands covered by this policy on terms and conditions as contained in a Sales Inspection Report and Selling Agency Agreement between the agent and Council.

5.2.1 Pricing Guidelines

The price listed with real estate agents will be the price determined by Council for all non-industrial land as identified in 5.1.1 and 5.1.2.

- The General Manager has the delegation to liaise with real estate agents and buyers on the sale of land with reference to the pricing determined by Council. The General Manager will submit to Council any reasonable offers to purchase Council-owned land.
- The General Manager will undertake price reviews with real estate agents and land valuers bi-annually in line with market movements, with a report to be submitted to Council as required, that identifies any market changes on the proposed pricing.

5.2.2 Real Estate Commissions

Any land listed for sale with licensed real estate agents under this policy will be described in an industry accepted Agency Agreement that sets out the agent's terms and conditions of listing the land, as well as any commissions, fees or other charges relating to the promotion and sale of the land.

Any agreement with a real estate agent will be on the terms and conditions as agreed between the parties as set out in that Agency Agreement.

5.2.3 Proceeds of the Sale

The proceeds of any sale can be:

- Used to fund an identified project;
- Placed in the Capital Investment Fund for funding of capital developments or purchases at a future date.

5.3 ACQUISITION OF ALLOTMENTS

5.2.1 Identified Land

The acquisition of land whether for community or operational purposes, shall be undertaken in accordance with the following procedures aimed at ensuring an accountable and transparent process that will deliver optimum value for Council. Acquisitions are to be identified taking into consideration:

- the purpose for which they needed to be acquired,
- the strategic nature of such properties, and
- the value that such properties have to the community.

5.2.2 Method of Acquisition

In instances where the purpose of the proposed acquisition makes it viable for the land to be in more than one specified location, such acquisitions shall be undertaken through an open market process such as calling for offers or expressions of interest. Such open

market process shall specify the criteria which would make the land suitable for the identified Acquisition and any other conditions that may be applicable to the acquisition.

Where an open market process is not viable, and subject to the other provisions of this Policy, Council may undertake acquisitions either:

- at an auction,
- agreement with the landowner, or
- compulsory acquisition in accordance with the requirements of the Land Acquisition (Just Terms Compensation) Act 1991 (hereafter the LA(JTC) Act).

It is acknowledged that it may not always be possible to adopt a Council resolution prior to commencement of negotiations with the landowner. In such instances, Council Officers may:

- Enter into negotiations, subject to notifying the landowner in writing that any negotiations are subject to adopting a Council resolution for the acquisition of the land, and
- where necessary make a conditional offer for the acquisition, subject to the Council adopting a resolution for the acquisition under the agreed terms and conditions.

No Council Officer shall make an unconditional offer for an acquisition without a Council resolution authorising such acquisition.

5.4 REQUESTS FOR FINANCIAL ASSISTANCE

All requests for financial assistance are to be forwarded to Council for determination. Requests for financial assistance are to be supported in writing by the proponent, evidencing the need for the required assistance.

Consideration for financial assistance will be based on:

- The merits of the business development proposal
- Council's financial ability to provide such assistance
- Whether the proposed assistance can be provided by another government agency
- Evidence that the proponent requires financial support
- This policy being considered in conjunction with POL010 Small Business Incentive Scheme Policy.

6. DEFINITIONS

- NSC: Narrandera Shire Council
- LEP: Local Environmental Plan

7. ROLES AND RESPONSIBILITIES

7.1 ECONOMIC DEVELOPMENT MANAGER

- Promote and market the subject land in accordance with Council's policies and objectives, as amended from time to time.
- Make recommendations to the General Manager on any value proposition received from a potential purchaser/developer either directly or through an Agent.

7.2 GENERAL MANAGER

- Continual price review of industrial land available for sale informed by movements in the current market
- Submit sale offers to Council, as appropriate

8. RELATED LEGISLATION

- Local Government Act 1993
- Valuation of Land Act 1916
- Environmental Planning and Assessment Act 1979
- Protection of the Environment Operations Act 1998
- Conveyancing Act 1919
- Community Land Development Act 2021
- Residential Tenancies Act 2010
- Land Acquisition (Just Terms Compensation) Act 1991
- Roads Act 1993
- Real Property Act 1900
- Crown Lands Act 1989
- Crown Land Management Act 2016
- National Parks and Wildlife Conservation Act 1975

9. RELATED POLICIES AND DOCUMENTS

- Narrandera Development Control Plan 2013
- Local Housing and Employment Zone Land Strategy

10. VARIATION

Council reserves the right to review, vary or revoke this policy in accordance with legislation, regulation and award changes, where applicable. Council may also make changes to this policy and the relevant procedures from time-to-time to improve the effectiveness of its operation.

11. PREVIOUS VERSIONS

Reference to a superseded policy number and/or name is also considered a reference to the new policy number. This policy was previously named:

- I2510 Sale of Industrial Land – Red Hill Industrial Estate.
- ES270 Sale of Industrial Land – Red Hill Industrial Estate.

POLICY HISTORY

Responsible Officer	Economic Development Manager		
Approved by	General Manager		
Approval Date	DD Month 202Y		
GM Signature <i>(Authorised staff to insert signature)</i>			
Next Review	DD Month 202Y (2 years)		
Version Number	Endorsed by ELT	Endorsed by Council	Date signed by GM
1 Adopted	-	-	17/02/1998
2 Reviewed	07/01/2004	17/02/2004	17/02/2004
3 Reviewed	-	17/04/2007	24/07/2007
4 Reviewed	-	26/05/2009	8/12/2009
5 Reviewed	-	18/02/2014	19/02/2014
6 Reviewed	-	-	18/02/2017
7 Reviewed	3/09/2018	18/09/2018	18/09/2018
8 Reviewed	19/01/2021	16/03/2021	3/05/2021
9 Reviewed	8/03/2022	-	9/03/2022
10 Reviewed	DD/MM/YYYY	DD/MM/YYYY	DD/MM/YYYY

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Attachment 1: Memorandum of Understanding

The following Memorandum of Understanding will be agreed with listing real estate agents:

MEMORANDUM OF UNDERSTANDING

REAL ESTATE AGREEMENT TO SELL INDUSTRIAL LAND

The memorandum represents an agreement by the Agent and Narrandera Shire Council to openly and honestly communicate with each other on the details of enquiries made in respect to properties listed by the Agent on behalf of Narrandera Shire Council.

The intent of industrial land sales is to foster employment opportunities. It is therefore in the interest of Narrandera Shire Council and the community that it represents, that land is sold to industry developers with their understanding that their development proposal is appropriate to the land use zoning, that the proposal does not conflict with the provisions of the Local Environmental Plan and that there may be additional regulatory requirements imposed depending on the type of development.

The Agent is to assist prospective industry and land developers in minimising their development risks by referring them to Narrandera Shire Council's Development and Environment section to receive advice on the development application process and regulatory requirements before entering into a contract for sale.

Agency Name _____

Authorised Agent Name _____

Authorised Agent Signature _____

Date _____

NSC General Manager _____

Date _____