AT 1 (part 3 of 3) to Planning Proposal 4/2011

Drainage Reserves Report



Image 34- View of drainage reserve from Bridge Street to Howell Place looking north (128/10084).

3. Howell Place and Matthews Street (East)

The reserve runs from Howell Place and Matthews Street. The reserve is bitumen/concrete paved with the pavement generally being in an acceptable state of repair. Street lighting is available within the reserve and the reserve is used generally as pedestrian footway. Sections of dividing fencing is in a good condition. The land is zoned R2-Low Density Residential under LEP 2009.



Image 35- View of drainage reserve from Howell Place to Matthews Street looking north (127/10084)

4. Matthews Street and Burns Bay Road (East)

The reserve runs from Matthews Street and Burns Bay Road. The reserve is bitumen/concrete paved with the pavement generally being in an acceptable state of repair. Street lighting is not available within the reserve and the reserve is used generally as pedestrian footway. Sections of dividing fencing are in a good condition. The land is zoned under R2-Low Density Residential LEP 2009.



Image 36- View of drainage reserve from Matthews Street to Burns Bay Road looking north (126/10084)

5. Bridge Street and Howell Avenue (West)

The reserve runs from Bridge Street and Howell Avenue. The reserve is bitumen/concrete paved with the pavement generally being in an acceptable state of repair. The reserve is used generally as pedestrian footway. Sections of dividing fencing are in a good condition. The land is zoned R2-Low Density Residential under LEP 2009.

6. Howell Avenue and Matthews Street (West)

The reserve runs from Matthews Street and Howell Avenue. The reserve is bitumen/concrete paved with the pavement generally being in an acceptable state of repair. The reserve is used generally as pedestrian footway. Sections of dividing fencing are in a good condition. The land is zoned R2-Low Density Residential under LEP 2009.



Image 37-View of drainage reserve from Matthews Street to Howell Place looking south (124/10084)

7. Matthews Street and Burns Bay Road (West)

The reserve runs from Matthews Street and Howell Avenue. The reserve is bitumen/concrete paved with the pavement generally being in an acceptable state of repair. The reserve is used generally as pedestrian footway. Sections of dividing fencing are in a good condition. The land is zoned R2-Low Density Residential under LEP 2009.



Image 38- View of drainage reserve from Matthews Street to Burns Bay Road looking north (123/10084).



Image 39- View of drainage reserve between Matthews Street and Burns Bay Road at the Burns Bay Road intersection

8. Point Road,

The reserve runs from Point Road down to the Crown Reserve in Northwood Road. The reserve is concrete paved with the pavement generally being in a state of disrepair. The reserve is used generally as pedestrian footway. Sections of dividing fencing are in a poor condition. The land is zoned R2-Low Density Residential under LEP 2009.



Image 40- View of drainage reserve from Point Road looking south



Image 41- View of drainage reserve showing condition of pavement and fencing



Image 42- View of drainage reserve showing condition of pavement and fencing

9. Fleming Street/Upper Cliff Road,

The reserve runs from Upper Cliff Road to Fleming Street. The reserve is concrete paved with the pavement generally being in a state of disrepair. The reserve is used generally as pedestrian footway. The dividing fences are generally in good condition. The land is zoned R2-Low Density Residential under LEP 2009.





Image 43- View of drainage reserve from Fleming Street looking south



Image 44- View of drainage reserve showing condition of pavement and fencing



Image 45- View of drainage reserve from Upper Cliff Road looking north

Discussion

Proper management of drainage reserves because of limited human and financial resources has not been an easy task for Lane Cove and for many metropolitan Councils. With the introduction of the LGA 1993 Council classified a number of drainage reserves either into community or operational land and these are listed in **Section 1**. Other drainage reserves which were not identified and I suspect because of lack of resources at the time, were automatically classified by default into community land as at the 30 June 1994. These are contained in **Section 2**.

Perhaps at the time consideration should have been given to reclassify <u>all</u> drainage reserves/ easements with the exception of the reserves zoned ore reserved for open space under the Environmental Planning Instrument into operational land. The drainage reserves community land classification has been a limiting factor in the proper management of the reserves restricting potential sale and leasing opportunities when and if they arise.

Under the LGA 1993 Council has no power to sell, exchange or otherwise dispose of community land. Granting of leases and licences of community land is restricted to 5 years inclusive of renewal options without the Minister's consent. The maximum lease and licence term is 21 years inclusive of renewal options and subject to the Minister's consent.

The identification survey recently carried out has revealed that a number of listed and unlisted reserves have been illegally occupied or used by adjacent property owners. In the case of reserves classified community land and occupied or used by adjacent property owners, the use by the general public is severely restricted there by defeating the very purpose of the community land classification.

In the case of reserves classified as operational land owners who have illegally occupied the reserves have had the private use and enjoyment of the reserve at no cost and thereby depriving Council over the years of thousands of dollars in potential revenue which could be otherwise used in maintaining the drainage infrastructure.

In recent years Council has received a number of applications to purchase drainage reserves within the Local Government area. One such application relates to the drainage reserve located between Hallam Avenue and Centennial Street.

Council has been unable to effectively deal and dispose of the reserve because of the community land classification. As indicated in the main of the report Council only recently wrote to the adjacent property owners with a view to entering a lease in accordance with the provisions of LGA 1993. An interest to lease the reserve has now been received by the owner of 87 Centennial Avenue.

Annual Maintenance Costs

The estimated maintenance cost to upkeep the reserves is in the order of \$150,000-\$200,000

These costs include drain cleaning, pavement repairs, fencing repairs between the reserves and the adjacent properties, and general administrative costs.

The maintenance budget is funded out of General Revenue.

The sale and/or leasing of the reserves as the opportunity arises may very well be used to part fund the maintenance of the reserves.

Proposed Reclassification of Reserves from Community to Operational land

In accordance with the LCA 1993, Community Land can only be reclassified to Operational only through a Local Environment Plan. The reclassification of community land also requires a Public Hearing by an independent person after the proposed draft LEP has been exhibited. The public hearing should be advertised at the same time as the draft plan is on exhibition for public comment.

Drainage Reserves -Proposed Reclassification						
ltem	Location	Lot & DP	LCC Land	Current	Proposed	Area sq
			Ref No.	Classification	Classification	m
1	89A Centennial Avenue and Hallam Avenue	114/9653	NA	Community	Operational	282
2	Bridge Street and Howell Place (East)	128/10084	NA	Community	Operational	150
3	Howell Place and Matthew Street (East)	127/10084	NA	Community	Operational	154
4	Matthew Street and Burns Bay Road (East)	126/10084	NA	Community	Operational	154
5	Bridge Street and Howell Avenue (West)	125/10084	NA	Community	Operational	157
6	Howell Avenue and Matthew Street (West)	124/10084	NA	Community	Operational	154
7	Matthew Street and Burns Bay Road (West)	123/10084	NA	Community	Operational	154
8	Point Road	4424	NA	Community	Operational	202
9	Garling Street	13/19114	234	Community	Operational	664
10	Stokes Street	6874	43	Community	Operational	316
11	Ronald Avenue	7626	498	Community	Operational	971
12	Fleming St/Upper Cliff Road	6766	NA	Community	Operational	290

The reserves identified for reclassification are included in the Table below:

The reserves with the exception of the Garling Street, Stoke Street and Ronald Avenue reserves are relatively small and less than 300 square metres. The reserves are generally used either as pathways or drainage reserve easements and a number of the reserves do not contain physical drainage structures ie. piped system.

In the case of the Garling Street reserve, the land area is ideal for a residential allotment on the proviso that an overland flowpath is determined before any decision is made and subject to Council approval to the future sale of the land. The land from the images provided (see images 9, 10 and 11) is used by the adjacent owners and is unfenced.

In the case of Stokes Street reserve the reclassification of the land will lead to a better and easier management of the reserve. The pedestrian access should be maintained.

Potential Sale Revenue

Assuming that all the drainage reserves listed above are sold, the projected potential revenue is in the order **\$ 2 million** based on a land value of \$ 1000 per square metres and after allowing for legal expenses, land valuations, surveys etc.

The potential realisation may very depending on market conditions at the time of sale.

It is recommended that a Property Drainage Reserve Trust Fund be set up from the sale proceeds and used to fund drainage infrastructure works and/purchase of land identified for by Council to improve the open space amenities/community facilities through out Lane Cove. Any future potential revenue is likely to ease Council's financial burdens and any direct funds otherwise used towards maintenance of the drainage reserves, may be used to fund other worthwhile and needy Council projects.

Matters for Consideration when selling Drainage Reserves/ Easements

There are a number of considerations which need to be taken into account when selling Drainage reserves/Easements to ensure that Council's interests are fully protected. These briefly are:

- 1. Only drainage reserves which are classified as operational land can be sold. Any reserves classified as Community land cannot be sold;
- 2. Sale of any reserve will be the subject of a report and approval by the Executive Manager, Open Space and urban Services;
- 3. Sale of any reserve will be conditional on the retention by Council of a drainage easement over the land;
- 4. All owners of the land adjoining the reserve proposed to be sold will be given an opportunity to purchase an area of the reserve proportionate to the extent their property adjoins the reserve;
- 5. Value of the reserve being determined by a Registered Valuer; and

6. Sale including legal, survey costs and application fees being borne by the purchaser.

Conclusion

Council in 1994 with the introduction of LGA 1993 was required to administer all land under its control and was required to classify all land either as "community" or "operational" land by 30 June 1994. Beyond 30 June 1994 land which was not classified as operational land reverted automatically to community land. A number of drainage reserves which were not classified operational land fell into this category. The majority of the reserves over the years have been illegally occupied by the adjacent property owners and in some instances structures have been built over the reserves. In many instances there is no physical drainage structure within the reserves and in some cases the reserves are used solely for the benefit of the adjacent owners and with very little benefit to the general community.

The current estimated cost of maintaining the reserves is in the order of \$150,000-\$200,000 per year.

There are obvious financial advantages to Council in selling unnecessary drainage reserves. It is estimated that a realisation of some \$2 million is possible by selling the redundant reserves. The sale proceeds may be used at Council's discretion to fund maintenance of the reserves or provide additional much needed facilities elsewhere for the benefit of the community.

To facilitate future disposal of the reserves, it is recommended that the reserves identified in this report be reclassified from Community to Operational land through a local LEP process in accordance with the LGA 1993 and the EP&AA 1979. This will be the first stage of the process. The second stage of the process is to sell the reserves as the opportunities become available.