

MINUTES

**MINUTES OF CONFIDENTIAL SPECIAL COUNCIL MEETING
HELD AT THE TIRKANTHI KUU ROOM, LEVEL 1 AT PAYINTHI, 128 PROSPECT ROAD,
PROSPECT
ON TUESDAY, 13 JUNE 2023 AT 5:11 PM**

PRESENT: Mayor Matt Larwood (Mayor), Cr Kristina Barnett, Cr Alison De Backer, Cr Mark Groote, Cr Thuy Nguyen, Cr Mark Standen, Cr Trinh Nguyen, Cr Jason Nelson, Cr Lillian Hollitt

IN ATTENDANCE: Farlie Taylor (Acting Chief Executive Officer), Ginny Moon (Director City Corporate), John Pearce (Director City Growth & Development), Sam Dilena (City Works & Presentation), Deborah Horton (Team Leader Governance & Risk), Cheryl Goult (Minute Secretary)

5 CONFIDENTIAL ITEMS

5.1 STRATEGIC LAND PURCHASE

SHORT TERM SUSPENSION

Mayor Matt Larwood sought, with approval of two-thirds leave of the meeting, for a short term suspension of proceedings pursuant to Regulation 20 for 30 minutes to facilitate informal discussion and receive a presentation by Director City Growth and Development.

Leave was granted.

Formal meeting procedures were suspended at 5.13pm.

Cr Thuy Nguyen entered the meeting at 5.14pm during discussion of the item.

Cr Mark Standen entered the meeting at 5.36pm during discussion of the item.

At 5:44pm Mayor Larwood sought, with approval of two-thirds leave of the meeting, for the suspension to be extended for a further 20 minutes to 6.05pm.

Leave was granted.

At 6:08pm Mayor Larwood sought, with approval of two-thirds leave of the meeting, for the suspension to be extended for a further 10 minutes.

Leave was granted.

Formal meeting procedures resumed at 6.20pm.

At the request of Cr Alison De Backer, Mayor Matt Larwood requested leave of the meeting to vote on the Motion in parts.

Leave was granted.

The Motion was voted on in parts.

RESOLUTION 2023/74

Moved: Cr Jason Nelson

Seconded: Cr Mark Groote

That Council:

1. Having considered Item 5.1 Strategic Land Purchase receives and notes the report.

CARRIED UNANIMOUSLY

MINUTES

2. Authorises the Chief Executive Officer to submit an expression of interest (“EOI”) for the purchase of the property located at 142-148 Main North Road, Prospect (“the Property”) that includes an offer of no more than \$9 million. The EOI is to be subject to and conditional upon:
- a) the Council’s consideration of a prudential report in accordance with section 48 of the *Local Government Act 1999*;
 - b) the Council having a right to undertake due diligence, which must:
 - i. be for a period of not less than 4 weeks from the date of execution of the contract; and
 - ii. include a right for Council to terminate the contract if the Council is not satisfied with the outcomes of its due diligence enquiries;
 - c) finance being secured from Local Government Finance Authority (LGFA);
 - i. within 4 weeks from the date of execution of the contract; and
 - ii. together with the Council having a right to terminate the contract if finance is not obtained;
 - d) the payment, upon execution of any contract, of a deposit of 3% of the purchase price, which deposit is refundable should the Council exercise its rights under the contract to terminate during the due diligence period or, if finance is not obtained;
 - e) a settlement date that is no fewer than 30 days following the satisfaction of all conditions precedent in the contract; and
 - f) the execution of a contract for the sale of the Property that is otherwise on terms and conditions that are acceptable to the Council.

CARRIED

3. Authorises the Chief Executive Officer, if the Council’s EOI is successful, to negotiate and execute a contract for the purchase of the Property on the conditions specified in paragraph 2 above.

CARRIED

4. Council will fund the interest expense of this acquisition by increasing rate revenue.

CARRIED

5. If a contract is executed by the Chief Executive Officer, a further report to be presented to the Council prior to the expiry of the due diligence period specified in the contract so that the Council can determine whether it wishes to either proceed to acquire the Property or, exercise its rights to terminate the contract. The report must include:
- a. a prudential report for the acquisition of the Property in accordance with the requirements of section 48 of the *Local Government Act 1999*; and
 - b. a recommendation from the Audit and Risk Committee in respect of the acquisition of the Property; and
 - c. the percentage of rate revenue required to fund this project; and
 - d. determines the site to be excluded from classification as community land.

CARRIED

6. If a contract is executed by the Chief Executive Officer, Council commits to community consultation regarding this acquisition and rate increase associated with this project prior to adopting its Annual Business Plan and Budget 2023/24.

CARRIED