




# PROPERTY STRATEGY

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<b>Strategic Pillar</b>	Organisation Capability	
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# Property Strategy

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## 1. OUTCOMES

- 1.1 Council has a substantial property portfolio with a mix of commercial, industrial, residential, recreational and infrastructure parcels of land or buildings. Those properties have been accumulated over the years in a range of zones and classified as either operational or community land. Often the purpose of acquisition or intended uses of those properties may have changed in that time, may have yielded minimal returns, or the demographic or strategic drivers have moved.
- 1.2 This Strategy aims to leverage Council's infrastructure to facilitate private development investments and be a catalyst of investment through introducing or developing Council-owned property in the market.
- 1.3 The focus of the Property Strategy is to redirect focus on:
  - (a) property management and not just maintenance
  - (b) value of returns on property rather than the expense of renewals
  - (c) performance of the property and any probity issues
  - (d) consideration of property feasibilities and prospectus.

## 2. APPROACH

- 2.1 Through examination of the Property Register, Council may use a mix of approaches to optimise its property ownership and returns including:
  - (a) **Public Lands Assembly** – assembling Council-owned land to facilitate development interest or sale such as:
    - (i) creating additional footpath, carpark or reserve space in town centres for commercial licence and lease
    - (ii) strategic thoroughfares/pedestrian links
    - (iii) park and ride facilities.
  - (b) **Commercial Holdings** – facilitate development of council-owned real estate or commercial holdings to generate cash and long-term returns on investment:
    - (i) Through direct conditional sale, lease or partnering with a developer under public private partnership regulations
    - (ii) Returns may seed other acquisitions or developments
    - (iii) Acquire other community land or facilities strategically appropriate to the demography of the population and geography of the LGA.
  - (c) **Crown Lands** - utilise leases or development agreements on Crown land under Council care and control to provide public infrastructure or facilities on those Crown lands.
  - (d) **Commercial Leasing** - explore expansion of some of Council's CBD or other neighbourhood centre premises to enable commercial or start-up/incubator leasing such as at Council's head office to establish a 'smart hub'.

## 3. OPPORTUNITIES

- 3.1 The approach enables Council to get best value from its property and infrastructure holdings to provide community and economic benefits, and recognise commercial returns. They include:
  - (a) *Streetscaping* – explore opportunities to lease roads, carparks, paths and reserves:
    - (i) leasing for kiosks or footpath cafes
    - (ii) business and market pop ups
    - (iii) focus infrastructure effort on highest visibility and usage.

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- (b) *Roads and Carparks* – used to leverage commercial redevelopment and improve traffic and pedestrian thoroughfare
  - (i) leasing of airspace above carparks to enable commercial developments
  - (ii) utilise existing carparks/reserve carparks for park and ride
  - (iii) utilise carparks to activate adjacent business activity by allocating carpark use within and outside business hours (e.g. cinema, childcare centre).
- (c) *Community Leasing* – reassess returns from commercial buildings as Council often lets property for community use or NGO at less than commercial rentals
  - (i) the value of a commercial rental will be released and equivalent ‘donation’ made to recognise the net contribution made to the tenants.
- (d) *Strategic Acquisitions* – a number of sites may be identified that may be of long term strategic benefit to hold in public hands, such as:
  - (i) Urban lots that may form a future road connection or pathway
  - (ii) Rural lots that may form part of a biodiversity protection or offset plan.
- (e) *Economic Activity* - some properties may be well placed near energy, transport and telecommunication grids. Those properties may be used to:
  - (i) facilitate business or technology incubators or call centres
  - (ii) facilitate intermodal freight
  - (iii) undertake civil works on private property to assist NGO developments in exchange for part of that or other property
- (f) *Community Business* – better utilisation of community business buildings such as QISC, QPAC, Bicentennial Hall and community centres:
  - (i) productions
  - (ii) arts exhibitions
  - (iii) conference
  - (iv) NGO incubator

## 4. FINANCING

- 4.1. The returns from property sales will be held in a Property Reserve that will be used to seed other property developments or acquisitions.
- 4.2. Similarly, proceeds from land sales, planning agreements or conditioning of development applications may be used to acquire suitable property for strategic land use, infrastructure or environmental purposes.
- 4.3. Lease revenues may be used to:
  - (a) Maintain infrastructure or new facilities on or near the site upon which the infrastructure was developed
  - (b) Service debt for traffic and car parking , or
  - (c) Supplement development contributions