

ITEM 6

PROPOSED ACQUISITION AND GRANT OF LEASE OF LOT 1 DP 779479 BEING 267 KEIRA STREET, WOLLONGONG

This report seeks Council's approval to acquire 267 Keira Street, Wollongong, being Lot 1 DP 779479 ("Subject Site") which adjoins MacCabe Park and is identified for future acquisition by Council in the Local Environment Plan (LEP).

An in-principle agreement has been reached for Council to acquire the Subject Site, and this report seeks Council's authority to proceed with that acquisition, and to subsequently lease the Subject Site back to the current owner.

RECOMMENDATION

- 1 Council acquires Lot 1 DP 779479 being 267 Keira Street, Wollongong.
- 2 Following acquisition, Council approves the granting of a lease to the current owners of Lot 1 DP 779479 being 267 Keira Street, Wollongong for an initial term of six (6) months, with two (2) option periods to extend of five (5) years each.
- 3 The General Manager be authorised to approve the acquisition and leasing strategy and finalise the terms, including the purchase price and rent of the acquisition and lease.
- 4 The Lord Mayor and General Manager be granted authority to affix the Common Seal of Council to any documentation required to give effect to this resolution and the General Manager be granted authority to sign any documentation necessary to give effect to this resolution.
- 5 Upon acquisition the land becomes classified as Operational Land.

REPORT AUTHORISATIONS

Report of: Roisin OSullivan, Manager Commercial Operations + Property (Acting)
 Authorised by: Sue Savage, Director Community Services - Creative and Innovative City (Acting)

ATTACHMENTS

- 1 Location map of 267 Keira Street, Wollongong ("Subject Site")
- 2 Photographs of 267 Keira Street, Wollongong ("Subject Site")

ACRONYMS USED IN REPORT

Abbreviation	Meaning
LEP	Wollongong Local Environmental Plan 2009 (NSW)

BACKGROUND

Acquisition

Privately owned properties along the eastern side of Keira Street, Wollongong, between Burelli and Ellen Streets, (being the western façade of MacCabe Park) have been identified in various LEP's as land Council is required to purchase for the extension of MacCabe Park.

On 4 June 1979, Council formally resolved to acquire all properties adjoining MacCabe Park for the extension to the park. That resolution formalised Council's position with respect to the longstanding plans to expand MacCabe Park. Prior to that resolution, and on 9 October 1978, Council approved a policy to acquire properties for the long-term planning for the expansion of MacCabe Park.

Council has since acquired all but two (2) of the properties along the western facade of MacCabe Park, commencing acquisitions in the 1950's with the most recent being authorised by Council in March 2012. Upon acquisition of the Subject Site there will be one (1) property remaining for acquisition, after which Council will own all properties adjoining MacCabe Park.

The owner of the Subject Site is in the process of selling the property on the open market and has approached Council to partake in that process. Following negotiations, Council has reached in-principle agreement with the owners subject to Council authorisation in accordance with this report. Details of that in-principle agreement have been circulated under separate cover.

The Subject Site Particulars

The Subject Site was constructed in the late 1960s to early 1970s and is a two-storey brick building. The building is an old-fashioned shop-top construction. The ground floor of the building is an open retail space with the top floor being residential. The Subject Site is currently being used to operate a commercial kitchen sales business, trading as Wollongong General Agency. The residential floor is being occupied by one of the current owners. The total area of the lot is 550.1 square metres and sits halfway along the western edge of MacCabe Park, directly across from the Church Street Carpark.

The Subject Site is flat and not subject to any restrictions, covenants, or easements. An aerial map of the Subject Site has been provided in Attachment 1, and photographs of the Subject Site in Attachment 2. The Subject Site is zoned RE1 Public Recreation and identified in the LEP as land to be acquired by Council.

Lease Agreement

Upon acquisition, Council has agreed to lease the Subject Site to the current owners to allow them to continue operating their business. Details of the proposed lease-back arrangement have been circulated under separate cover.

PROPOSAL

Council acquires the Subject Site for the extension of MacCabe Park and approves leaseback of the Subject Site to the current owners in accordance with the terms circulated under separate cover.

CONSULTATION AND COMMUNICATION

In preparing this Report, Council have consulted and communicated with Council's Property Management Team. Council have negotiated the acquisition of the Subject Site with MMJ Wollongong as agent of the property owners.

Council engaged an independent registered valuer, Walsh & Monaghan, to establish market valuation for the acquisition and Herron Todd White to establish market rent valuation.

Council has consulted with the Chief Financial Officer in terms of the funding in relation to this acquisition.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2035 **Goal 2** – We have well planned, connected, and liveable places, **Goal 3** – We foster a diverse economy, and we value innovation, culture, and creativity, and **Goal 4** – We have a healthy, respectful, and inclusive community. It specifically delivers on the following:

Community Strategic Plan 2035		Delivery Program 2025-2029	
Strategy		Service	
2.1	Urban areas are planned and well maintained to provide a healthy and safe environment for our community to live, work and play	Property Services	
3.4	Continue to build Wollongong CBD as a vibrant employment precinct with an active evening economy.	City Centre Management	
4.2	Provide a variety of quality and accessible public spaces and opportunities for sport, play, leisure, recreation, learning and cultural activities in the community	Parks and Sports Fields	

FINANCIAL IMPLICATIONS

Council has engaged an independent registered valuer to undertake a market valuation to determine the value of the Subject Site. The funding for the acquisition is sourced from the MacCabe Park Development Restricted Asset Fund and the Property Fund.

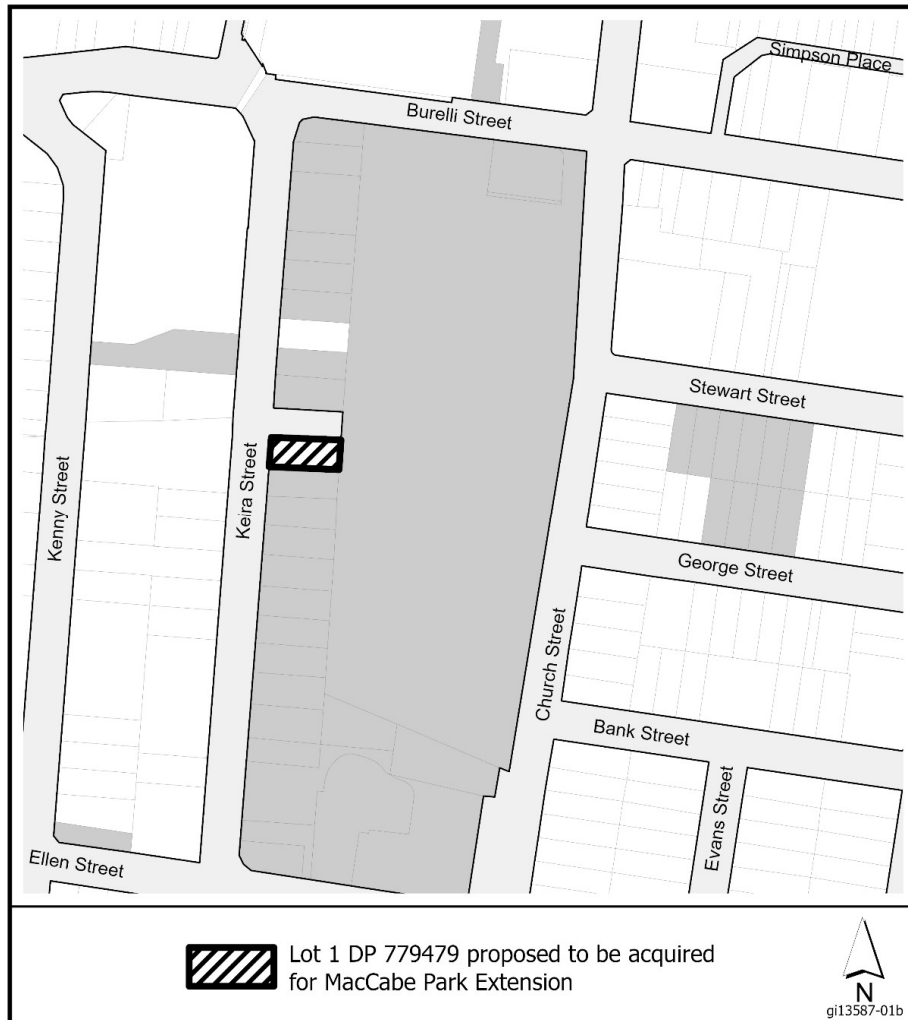
The proposed rent is supported by an independent market rent valuation obtained by Council.

CONCLUSION

The Subject Site is to be acquired for the extension of MacCabe Park as required under the LEP, and otherwise in accordance with Council's acquisition policy for MacCabe Park adopted on 4 June 1979. Council is to enter into a leaseback agreement for the Subject Site to allow the existing owners to continue trading, generating revenue for Council.



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Attachment 2: Photographs of Subject Site as at 18 July 2025



