

APPENDIX B

421 High Street, Preston

421 High Street is freehold land held in the name of the Department of Environment, Land Water and Planning. It is located on the west side of High Street, Preston in the block section between Gower Street and Murray Road. The property has an area of approximately 386m². A brick commercial building occupies the majority of the site with a covered storage area at the rear. The site appears to be leased to a supermarket and possibly sub-leased to a mobile phone shop.

The property lies within a general area which has been identified in several plans for the central Preston area as a possible location of a pedestrian walkway between High Street and the Preston Market. It is directly north of an existing arcade (at 417-419 High Street) which is private property and is locked at night times. There several are other shops along the western side of High Street which provide for pedestrian permeability between High Street and the market during business hours. There is no permanently available public walkway between High Street and the Preston Market.

It is understood that 421 High Street was acquired by the Department of Planning to assist with the redevelopment of Preston Central.

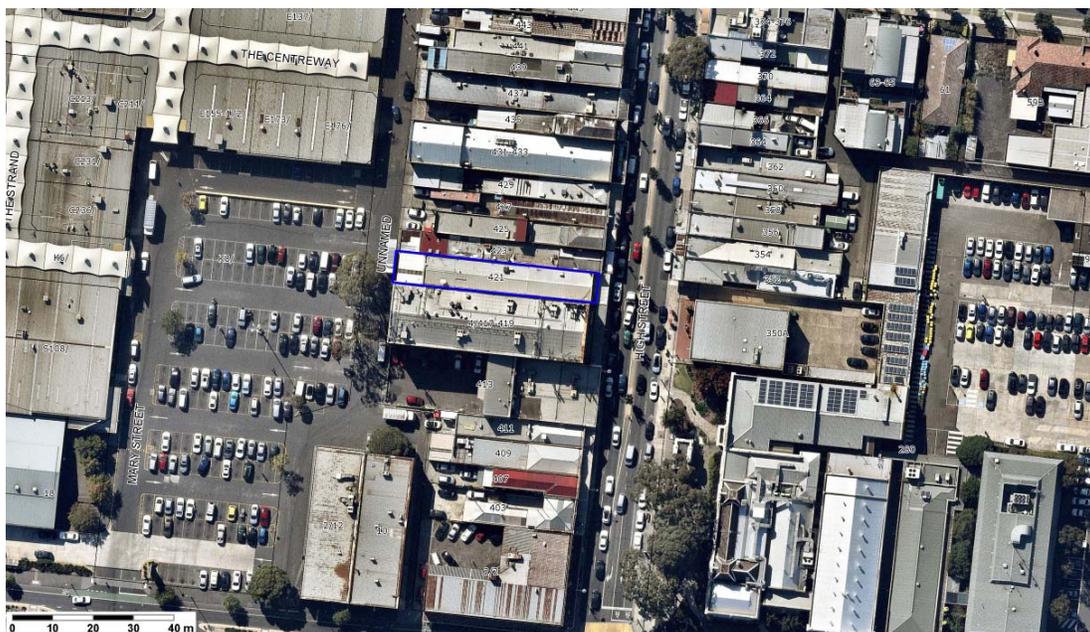


Figure B.1 – 2016 Aerial Photo – 421 High Street Preston



Figure B.2 – 2016 Photo – 421 High Street (front)



Figure B.3 – 2016 Photo – 421 High Street (rear)

Land Zoning and Planning Scheme Protections

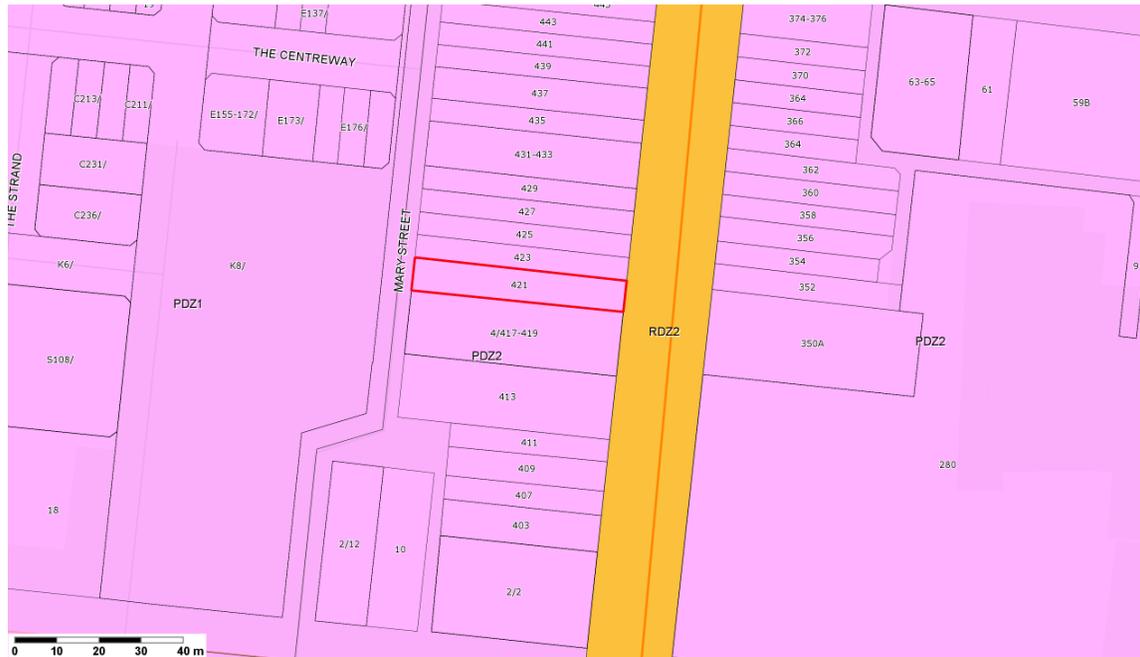


Figure B.4 – Zoning – Land Surrounding 421 High Street, Preston

The site is zoned Priority Development Zone 2 which seeks to facilitate the implementation of the Preston Central Incorporated Plan 2007. The site is also affected by the Special Building Overlay which has been put in place by Melbourne Water to identify those properties which are likely to be affected by flooding from the Melbourne Water main drain in 100 year storm events.

Market Valuation

The Department of Treasury and Finance have provided an indicative pricing of the land at \$2.25M.

Decision Logic Map Assessment

(Refer to **Appendix A** for Decision Logic Map)

Q1 – Is the property required to support an existing Council service?

NO – the land is required to support an existing Council service.

Q2 – Could the property be developed to meet Council’s future service requirements?

YES – this property could be developed to meet future service requirements.

The general area in which the property is located has been identified in several strategic documents adopted by Council as the potential location for a pedestrian link between High Street and the Preston Market.

Q3 – Could the property be developed in partnership to enhance capacity or future strategic requirements and/or broader strategic requirements?

YES – Whilst the property could be purchased and developed by Council without any external assistance, the current ownership of the land by DELWP presents a clear opportunity to achieve strategic service requirements through partnership with the state government.

MEDIUM-HIGH – Based the possibility for future development of the property to incorporate additional retail elements that could generate income or offset capital expenditure, the land has been assessed as having a ‘medium’ to ‘high’ potential for level of performance.

HOLD POINT – REDEVELOP

After undertaking a review of the property using the Decision Logic Map, it is clear that part of the land can meet an identified strategic need.

Land Acquisition Strategy

As the land is currently owned by the state government, the best opportunity for Council to ensure that the strategic need for a pedestrian connection between High Street and the Preston Market is met would be through a partnership with DELWP.

In order to work with DELWP to jointly develop this property as an asset for the Darebin community, Council will need to arrange for DELWP to revisit their assessment that this land is surplus to their current needs. It is clear that a former incarnation of DELWP purchased this land with a clear intent to support the Preston Central Structure Plan. Our advocacy efforts should focus on asking what happened to this intent and querying if the state’s commitment to Preston as a Major Activity Centre has changed.

First steps in the advocacy would involve raising the issue with the local Member of State Parliament to advocate within the government on Council’s behalf and also with the Minister for Planning who would have decision making power in relation to the surplus nature of the land.

Risks

A risk exists that Council's advocacy efforts will not be successful and that the sale would continue as originally planned by the state government. In this event should Council decide to purchase the land, it would need to compete with other private purchasers on the open market.

RECOMMENDATION

Council's primary interest in this site lies in its potential to meet a strategically identified need for pedestrian walkway between High Street and the Preston Market.

As the land is currently owned by the state government who purchased it for the express purpose of providing the walkway, it is recommended that Council undertake advocacy to ensure that DELWP retains ownership of this site to enable future redevelopment as a walkway.