

The Future Use of City of Yarra's Vacant Buildings in the Collingwood Town Hall Precinct

Forum Report

City of Yarra
December 2014



Independent insight.

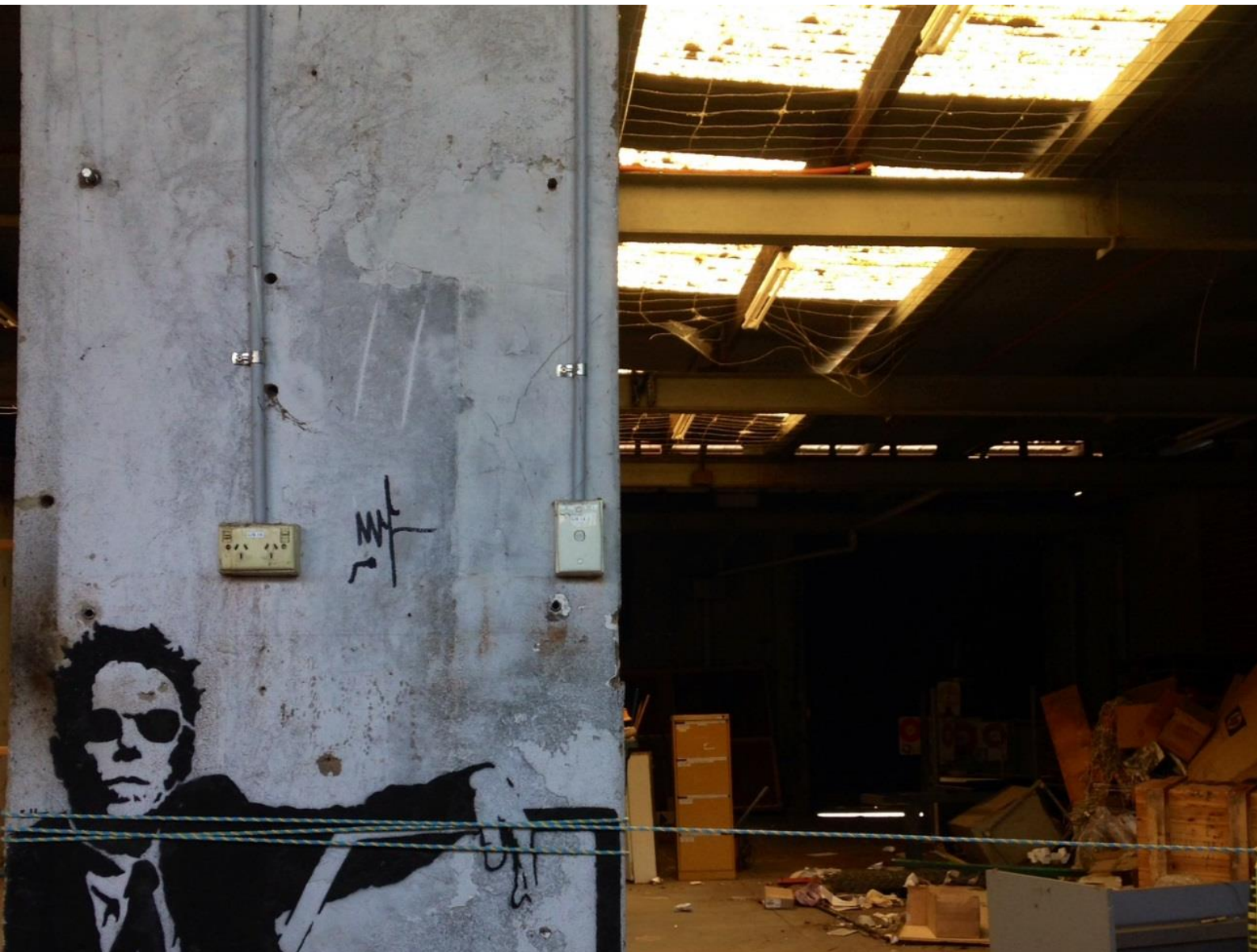


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Background

The City of Yarra owns a number of buildings across the municipality that are in poor condition. The Sailors and Soldiers Memorial Hall located at 150-152 Hoddle Street has been out of use for over ten years due to its state of disrepair. Two additional properties located behind the Memorial Hall (117 and 119-123 Vere Street) are also poorly utilised. All three properties require a significant amount of investment to make them suitable for community use. However, if Council relied solely on its capital works program to fund their redevelopment, this outcome is likely to take many years to realise.

Council has been looking at this particular cluster of buildings (named the Collingwood Town Hall Precinct) and is interested in exploring ways of turning them into productive assets for the community. Council understands that there is strong demand from community groups for space for gatherings, meetings and other activities. Council is also committed to providing creative spaces through its Room to Create Program.

The forum held on the 15th of December 2014 was seen as an opportunity for the community to see these buildings first hand, hear about some of the initiatives Council has taken to bring the buildings back into use, and offer Council views and ideas about how the buildings could be utilised once more.

The forum was open to all members of the community, and was facilitated by Marcus Spiller from SGS Economics and Planning.

Objectives of the forum

The objectives of the forum were to:

1. Understand community views about the principles that should guide Council stewardship of underutilised assets such as those in the Collingwood Town Hall Precinct
2. Enable community members to appreciate the trade-offs involved in turning these underutilised assets to productive use
3. Gain community feedback on specific options for the Collingwood assets, ranging from redevelopment by Council using own funds through to Council participation in a commercial mixed use venture.

Forum Structure

The forum was structured was as follows:

- | | |
|----------|--|
| 10.30am- | 1. Introduction and site tour |
| 11.00am | <ul style="list-style-type: none">• Participants assembled at Soldiers and Sailors Hall.• Welcome by the Mayor of City of Yarra• Tour of the relevant buildings and precinct |
| 11.00am- | 2. Briefing on site conditions and policy context |
| 11.30am | Council representatives outlined: <ul style="list-style-type: none">• Council assets in the precinct (i.e. their market value, current use)• Cost of refurbishing Council's assets for community use• Status of the assets in Council's service delivery plans and budget for the precinct• The planning and development context (Planning Scheme provisions, UDF, recent approvals etc.)• Other relevant Council policies (e.g. Room to Create, Affordable Housing etc.)• Previous community consultations held in the area and known local needs. |
| 11.30am- | 3. Forum: what's important in managing Council assets such as those in the Collingwood |
| 12.00pm | Town Hall Precinct (CTHP)? <ul style="list-style-type: none">• Open discussion facilitated by M Spiller. This explored the overarching principles which should guide management of Council assets, including how aspirations for community outcomes can be balanced with budgetary constraints |
| 12.00pm | 4. Options for Council's assets in the CTHP |
| 1.00 pm | <ul style="list-style-type: none">• Open discussion facilitated by M Spiller on broad options for the assets in CTHP and their pros and cons. This covered a broad range of possibilities generally covering<ul style="list-style-type: none">Sell off and invest returns in better services in the area;Council to refurbish for community use using own funds;Development for community uses by vesting the properties in a not for profit developerUndertaking a mixed use project, including community uses, through a joint venture with a for profit developer. |
| 1.00pm- | 5. Forum findings |
| 1.30pm | M Spiller 'drew the threads together' and seek forum endorsement for some overarching conclusions to be communicated to Council regarding the future of the CTHP |

Forum Outcomes

The workshop's discussion centred on the following two questions:

- What's important in managing Council assets such as those in the Collingwood Town Hall Precinct (CTHP)?
- What are the options for Council's assets in the CTHP?

The following section outlines the primary points gleaned from the community discussion.

FIGURE 1 MEMBERS OF THE COMMUNITY VIEWING CONCEPT DESIGNS FOR THE COLLINGWOOD TOWN HALL PRECINCT



(Photo Source: SGS Economics and Planning)

What's important in managing council assets such as those in the CTHP?

The discussion generated a general set of principles for Council to consider when managing assets such as those within the CTHP.

When managing council assets, Council should:

- Ensure to the best of their ability that all Council owned assets are utilised.
- Bringing an asset into basic building code, compliance is a better outcome than leaving an asset unutilised.
- Council should prioritise looking after heritage buildings.
- Council should not, as a general rule, act as a risk taking developer; however, if this was to occur, community benefits must be an outcome.
- Joint ventures with the community sector are preferred over private public partnerships (PPP's).
- The community value generated within PPP's must be at least in line with the value of the asset invested by Council.
- Council should look to best practice in managing council assets from other examples across Victoria and further afield.
- An overall portfolio approach is required to understand the issues and opportunities across all assets in Yarra.
- Council should set a clear timeline for decision making processes when managing council assets.



What are the options for Council's assets in the CTHP?

This discussion generated a number of scenarios for Council's management of the Vere Street properties and Soldiers and Sailors Hall, as follows:

Scenario A

Give the Vere Street properties over to not for profit groups on a peppercorn rent for use as arts spaces and other community uses.

By raising funds through a Council special rate scheme, refurbish the Soldiers and Sailors Hall for community use.

Scenario B

Give the Vere Street properties over to not for profit groups on a peppercorn rent for use as arts spaces and other community uses.

Hold the Soldiers and Sailors Hall in its current unusable state pending investment from government grants and philanthropic sources, recognising that this may take some years.

Scenario C

Lease the Vere Street properties on a commercial basis to a compatible use, like a music school.

Dedicate the proceeds of this commercial lease to refurbishing the Soldiers and Sailors Hall for community uses, recognising that this may take several years to achieve.

Scenario D

Sell the Vere Street properties on the open market.

Use the proceeds to refurbish the Soldiers and Sailors Hall for community uses and provide a small gallery and studio space elsewhere in the neighbourhood.

Scenario E

Sell the Vere Street properties to a Housing Association for the provision of social housing in a mixed tenure project, recognising that this may take several years to bring to fruition given lack of State/Commonwealth funding for social housing projects.

Hold the Soldiers and Sailors Hall in its current unusable state pending investment from government grants and philanthropic sources, recognising that this may take some years.

Scenario F

Sell the Vere Street properties to private developers on the condition that the buyers comply with the current Urban Design Precinct (UDF) for the precinct and give back ground floor spaces for arts studios and a gallery.

This will generate sufficient funds to refurbish the Soldiers and Sailors Hall for community uses.

Scenario G

Enter into a joint venture with private developers under which the Vere Street properties are allowed to be developed at a higher density than the UDF in return for arts studios, a gallery and dedicated social housing units in the development, and the refurbishment of the Soldiers and Sailors Hall for community uses.

There was no agreement on which of these scenarios should be preferred.

Community members present at the Forum called for more time and information by which to judge the merits of these Scenarios.

What do you think?

1. What, in your view, are the most important things Council should keep in mind when considering the future of 'surplus' properties or community assets which are no longer fit for purpose?
2. Can you add any further scenarios or options to the list (A through to G) generated by the Forum?
3. Do you have a view about which of the listed scenarios should be preferred?

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