



Borough of Queenscliffe

Queenscliff & Point Lonsdale, Victoria, Australia

8 May 2023

Queenscliff Community Association (QCA)
David Connoley
President
Via email: [REDACTED]

Dear Mr Connoley

PUBLIC QUESTION TAKEN ON NOTICE

I am writing in response to the public question that was taken on notice at the Ordinary Meeting of Council held on Wednesday 26 April 2023.

The public question reads as follows:

In light of the above the QCA asks is it possible to

- 1. have published more detailed actual cash reports (income/expenses) from the individual Tourist Parks given the importance to financial results and provide a better understanding of such variances noted above*
- 2. have a full report detailing the Murray Road sale with an explanation why it took over 3 years to get the sale proceeds, particularly in light of the minimal net return occurring in a period of substantial increases in land values that are evident in ratepayer's rates notices.*

Council or its officers may wish to make comment on these issues.

In response to the question, I provide the following advice:

The Contract of Sale for Murray Road included the following special condition:

- *The contract is subject to the Condition Subsequent being satisfied by the Condition Subsequent Date.*

For the purposes of the Contract of Sale, Condition Subsequent meant - the issuing of a planning permit to allow subdivision of the land in accordance with the development plan approved by the Borough of Queenscliffe (Development Plan 61-75 Murray Road).

This meant that the settlement date was directly linked to the grant of a Planning Permit.

The extended settlement period that you have queried is a result of this condition in the contract and the planning permit application process.

The first planning permit application was submitted to Council on 10 August 2020. Following a request for information and a number of discussions between planning consultants and the Borough planning staff, the applicant lodged a failure to determine with VCAT on 15 June 2021. The discussions generally concerned the need or otherwise for an environmental audit.

The VCAT appeal was withdrawn following a review of the changes made to the EPA regulations in February 2021. These changes included an update in the provisions that apply to assessing and controlling risks of harm from contaminated land.

A new planning application was lodged on 8 November 2021.

A planning permit was issued on 8 July 2022. Following the grant of the permit, Council received a request to vary the settlement date. Council officers agreed to the variation.

In all, there were three variations to the settlement date during the planning permit application process.

With respect the issues raised about the value and the final purchase price I can provide the following information.

Prior to the Expression of Interest (EOI) sale process for the land, Council commissioned a property valuation by Opteon to provide a market value to use as a guide to review any EOI submissions.

On 21 October 2019, Opteon advised Council that the market value of the land was \$1,550,000.

Council received four (4) EOI submissions:

- a. \$1,250,000
- b. \$1,400,000
- c. \$2,000,000
- d. \$3,500,000

Council sold the property for \$3,500,000.

Yours sincerely



Martin Gill
CHIEF EXECUTIVE OFFICER