

## MURRUMBIDGEE COUNTRY CLUB

### MINUTES OF PUBLIC INFORMATION SESSION RE: RESIDENTIAL DEVELOPMENT PROJECT

Date Venue	11 October 2018 @ 6.00pm Murrumbidgee Country Club.
Attendance	<b>142</b> people attended the meeting. Special thanks to guests – Mark Parton MLA, Bec Cody MLA & Trevor Fitzpatrick (Purdon's Planning)  See attached attendance sheets for full listing.
Apologies	Jeremy Hanson MLA, Caroline Le Couteur MLA, Mick Gentleman MLA

Dean Hill - Club President chaired the meeting. It was opened at 6.05pm and Dean welcomed all participants to the meeting including 2 x MLA's – Bec Cody and Mark Parton. He also welcomed Trevor Fitzpatrick from Purdon's Planning and the Development Committee consisting of Ron Shepherd, Bernie Wilson, Lynne O'Brien and General Manager Ray Duncan.

#### Agenda item 1 – Club Presentation

Lynne O'Brien provided a briefing on the golf club, its financial position and the development proposal. The following is a transcript of Lynne O'Brien's presentation.

"I would like to join Dean in welcoming you all here tonight.

In recognition of the fact that we have a large number of visitors at the club tonight, I thought I would start with a brief introduction to our Club and our reasons for pursuing the development proposal before turning to the proposal itself.

Let me start by saying that Murrumbidgee is not a wealthy elitist golf club. We are a not-for-profit community-based club. We are not owned by private interests, such as the Gold Creek Club, nor by large community clubs such as the Belconnen Magpies.

Since establishment around 30 years ago, the funding to develop and maintain our infrastructure and to support our operations has largely come from our membership base – by way of annual subscriptions, supported by our bar trade, poker machine revenue and green fees.

Our club relies heavily on the work of club volunteers – for example those who work around the course for us, those who run BBQs and Friday night raffles and those who manage our various golfing programs.

We aim to be a low-cost golf club which provides membership options affordable to all members of the community. We currently have around 900 playing members as well as 100 social members who utilise club house facilities.

The Club's lease is zoned Restricted Access Recreation. Other clubs with similar leases prevent public access to their sites. However, since inception, our club has endeavoured to build co-operative relationships with the local community for mutual benefit. Residents and visitors are able to access the land within common sense guidelines – and any of our golfers will vouch to the number of dog walkers and cyclists who take advantage of our walking tracks every day of the week. We also facilitate vehicle access to the rear of the Urambi Village for those residents.

We are also very proud of the fact that each year we are able to support a number of charities in hosting fund raising events at the club – days which are strongly supported by club members and their friends.

However, as with many golf clubs, Murrumbidgee is under continuing financial pressure. It is widely acknowledged that golf courses in themselves do not make money – golf clubs rely on auxiliary operations such as club house revenue, to support the costs of operating golf courses.

In previous years, the Club has neared insolvency and has received warnings from its auditors to this end. Two years ago, a request for an overdraft extension was refused by our bank. At our recent Annual General Meeting, the club's independent auditor, Mr Robert Johnston, expressed his concerns over our financial position and low level of reserves.

The Club's facilities and infrastructure are now nearing 30 years old and require reinvestment.

We have successfully implemented a number of initiatives to increase revenue<sup>1</sup> and control costs. Despite this, it has only been the availability of the temporary ACT Government rebate on water extraction fees which has allowed the club to break even financially in recent times. Without this rebate we would be incurring an extra \$60,000 a year in charges when we extract water from our dams.

To illustrate how borderline our results have been, on a turnover of around \$2 million a year, three years ago we reported a \$1000 surplus, two years ago a \$53,000 loss and last year a \$60,000 profit.

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<sup>1</sup> Bar tabs, revised Friday night programs, bringing catering inhouse, increased competition fees. Cost savings – review of all contracts (insurance, waste removal etc), reduction in green staff,

Murrumbidgee needs an ongoing revenue stream to ensure the future survival and development of the Club. This is an important point of differentiation from other Golf Club proposals – we are not proposing to compress our golf course and its facilities – our proposal is about sustaining the golf course into the future.

We plan to use any proceeds from the development to generate an ongoing revenue stream for the club which will allow us to sustain and enhance our existing 18-hole golf course and associated facilities. And we want to do this in such a way as to respect and protect the residential and lifestyle amenity of the local precinct.

My final point on the Club's finances, before turning to the development proposal itself, is about the sale of options. In order to fund the cost of preparing our application for rezoning, the Club sold 23 options at \$5,000 each. If and when, any development proceeds, these will provide the holder with an option to purchase a block on the Learmonth site at market value at time of sale. The options are non-refundable – if the development does not proceed, the options will be forfeited. The purchase of these options, by club members and members of the public, is evidence of the strong demand for the type of development we are envisaging on that site along with much appreciated support for the golf club.

Turning to the development proposal itself.

In 2013, with ACT Government support, we commissioned a feasibility study to identify potential development sites which could generate revenue for the Club. The study identified the potential to develop up to three small sites, two of which are not used in golf course operations and the third of which includes the Club's driving range and cart storage facilities. Collectively, these sites comprise only around 10% of the existing golf club lease (which is around 90 hectares).

In early 2018, the Club lodged a draft Planning Report which applied to re zone these three tracts of land with the ACT Planning Directorate. The Planning Report was informed by a range of independent expert surveys covering:

- Ecological impacts and a tree assessment<sup>2</sup>
- Contamination
- Bushfire risk
- Heritage values
- Traffic, parking and public transport
- Utility services such as stormwater, sewerage, gas and telecommunications, and
- Urban amenity including development density, visual impact, lighting and noise

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<sup>2</sup> Review for significant plants and animals confirms that there are no threatened species or habitat for threatened species. There are no significant ecological values within any of the three sites that could have an impact on the Nature Reserve. The tree assessment determined the vegetation values of the three sites.

The studies concluded that the development of the residential zones will not have any significant adverse impact on surrounding land uses or on the local environment.

The application was prepared in close consultation with, and informed by feedback from, the local community and members. Because of this consultation, a number of compromises were made to original recommendations in the feasibility study. Whilst these compromises reduce any potential yield to the Club, they were made in the spirit of ensuring that any future development respects and protects the residential and lifestyle amenity of the local precinct.

I will now outline proposals in relation to each of the three possible sites.

### **SITE ONE – LEARMONTH DRIVE**

The proposed rezoning of a 6.5-hectare site on the south-east portion of the golf club along Learmonth Drive could provide for up to 46 detached single dwelling blocks in the order of 600 m<sup>2</sup>. While we have not yet undertaken any detailed planning (which we will do during preparation of development applications if rezoning is approved), given results of the soil testing undertaken during preparation of the planning report, our current thinking is that this is more likely going to be in the order of 35 rather than 46 blocks.

Height restrictions will be imposed to protect existing neighbour views.

If it proceeds, this will be one of the few developments in Canberra which will meet the needs of ‘down sizers’ for single level dwellings on modest size blocks.

During community consultation, we agreed that this development would include parklands and trails for community use. This will enhance community access – currently there is one track across this block and the block itself is quite dangerous with a series of crevasses feeding into the water course. This block is literally across the road from the 249-hectare Urambi Hills Nature Reserve – so its development would have little impact on the open space readily available to local residents.

I should note that there has been some concern expressed about the future of the playground on this site. This playground is not part of the club’s lease – in fact the club handed this site back to the government when the course was first established to enable the construction of the playground. Obviously therefore, the development proposal will have no impact on the playground.

### **SITE TWO**

The second site is a block of just under a hectare in size on the corners of Drysdale and Crozier Circuits. The site can accommodate approximately 30 single, or two storey townhouses as occurs in the adjoining Urambi Village. Following consultation with the local community, the footprint of this site was reduced to protect

neighbouring views, and it has been agreed that any development site would be separated from Urambi Village by way of a 6-metre-wide pedestrian pathway and will include permanent vehicle access to the rear of the Urambi Village to address present access issues. Heritage walking trails and storm water engineering within the surrounds will not be compromised.

### **SITE THREE**

The third site is located on Kambah Pool road and includes the current golf course driving range and cart storage facilities. This is our least preferred option. Any development on this site would require relocation of the existing driving range and cart storage facilities – when we have considered this in the past, we have been unable to come up with any solutions which do not involve large scale redesign of the golf course.

And changing of golf course layouts is very expensive. Just to give you a ball park figure, I understand that Royal Canberra had a budget of \$8 million for recent works on its course - I have also heard that this budget was overspent and even so, the works were not completed as planned. Significant expenditure of this nature would work against our objective of generating ongoing revenue streams for the continued survival of the club.

In any event, it seems perverse to rip down existing golf infrastructure when the other two potential sites are not required for golfing operations.

And a final point of assurance for club members in the room - any proposals for development on this site will be subject to further member approval.

I WOULD NOW LIKE TO ADDRESS A NUMBER OF QUESTIONS, WHICH HAVE BEEN POSED TO THE COMMITTEE.

#### **Firstly, the question of whether the golf course is on public land**

As I explained earlier, the lease is zoned “restricted access recreational”, not “public open space”. Whilst many Canberra ‘restricted access recreational’ sites (eg Vikings ovals in Erindale, tennis courts at Chisholm), are fenced off to prevent public access we have always welcomed public use of our facilities. We believe that our proposals will actually enhance public access to course lands by way of the proposed walking trail and parklands on the Learmonth site and regularised access to the back of the Urambi Village.

#### **Is the development being undertaken for private profit?**

Murrumbidgee is a not for profit community-based club. The development is being undertaken to provide an ongoing revenue stream necessary to ensure the continued sustainability of the golf course.

### **What does the club intend to do with the proceeds from the development?**

Given that we do not know which, if any of the sites will be approved for rezoning and development, it is too early to make any estimates of the funding which may be generated for the club and therefore, how we would propose to utilise that funding.

The Board has determined that any funding would be used to generate ongoing revenue streams for the club.

That is, it won't just be added to general revenue and fund ongoing costs. Nor will there be a major one-off expenditure, which does not generate ongoing revenue (an example would be revising the course layout).

Rather, the funds will be invested in such a way as to generate ongoing revenue. This may be as straightforward as simply investing the funds. Some other ideas being thrown around would be to enhance the club house – maybe with addition of function facilities or perhaps to retain ownership of some part of the residential development for ongoing rental purposes.

If and when the time comes, an advisory committee will be formed to oversee preparation of business cases for possible investment proposals.

### **A number of people have asked why clubs should be able to profit from land given to them by the government and shouldn't we just hand the land back to the government if we don't need it.**

The sites in question are currently part of the Club's concessional lease. As such they came at minimal cost and attract reduced annual rates. The Learmonth and Drysdale sites are not utilised by the golf club and generate no revenue.

If the sites were rezoned for residential development, then the club would hand back its concessional lease and would be issued a new market (non-concessional) lease for the sites in question. The club would pay the market rate for the new lease – by way of a conversion to market lease as well as betterment tax (lease variation charge) commensurate with any increase in land value. The block would attract market value municipal rates on an ongoing basis.

The remainder of the golf course would remain as a concessional lease.

Thus, the government and rate payers would benefit financially. In fact, this would be a similar financial outcome to the government resuming ownership of the sites and making them available to a private developer for development.

The additional community benefits associated with proposed development by the Club rather than a private developer are that:

- The club is a not for profit community organisation serving the Tuggeranong and wider area. The revenue generated by the rezoning and subsequent residential development will not go to a “developer” as such but will be used to retain the viability of the club.
- The club has engaged closely with the local community in coming up with a development plan which minimises the impact on existing residential areas. This process has resulted in the Club proposing a number of changes to its original plans to help protect amenity. This has reduced the potential yield to the club but has been made in the spirit of providing a win-win. Again, it is reasonable to expect that a private developer would seek to maximise yield on any development – for example by way of high-density development.

**Given this, it is reasonable to ask why the government wouldn't just reassign the block for recreational purposes in order to protect green space?**

We obviously can't answer for the government; however, we note the 6-hectare Learmonth site is directly across the road from the 249-hectare Urambi Hills Nature reserve – so there doesn't appear to be a compelling argument for this.

**Finally, we have been asked about the impact on traffic from any redevelopment?**

A traffic impact assessment was conducted during preparation of the planning report and concluded that the proposed rezoning and associated traffic will have some minor local impacts but are not expected to cause any significant changes to existing traffic flows in the area. The minor impacts can be readily addressed in the detailed design phase.

As an example, the consultants modelled traffic impact from a development of 70 units on the Learmonth site. Now, as I said earlier, our current thinking is that any development would be in the order of about 35, so half of this. So, these assessments are very conservative. Their modelling suggested an extra 35 vehicles per hour on the road during peak traffic times – that is, one every two minutes give or take.

On the Drysdale site, there was even less of an impact with the projection being 15 additional vehicles per hour in peak traffic times – one every four minutes.

And just in concluding, the draft planning report is available on our website if you would like to study it, and we have a couple of copies available with us tonight for perusal.

Thank you for your patience and attention. I will now hand back to Dean.”

**Dean Hill** then opened the meeting to questions and asked that the person asking the question to be respectful & succinct

## **Agenda item 2 - QUESTION & ANSWERS**

**Helen Wynants** asked whether the surveys undertaken included searches for indigenous artefacts. Lynne O'Brien (LOB) confirmed that they had by way of the Heritage study and that no indigenous or other historical artefacts had been located.

**Helen Wynants** asked how the club could afford to proceed with the development proposal? LOB explained the sale of the 23 options to fund preparation of the rezoning application. She stated that further funding arrangements had yet to be considered, however the Club was of the view that, if the land was rezoned, and given that strong interest in land acquisition has been demonstrated through sale of the 23 options, we would be in a stronger position to approach a financial institution for financing.

**Keith Croker** noted that the MCC application should be allowed to run its course through due legislated process and not be made an ACT wide issue. He expressed concern over comments by some MLAs that Canberra has too many golf courses even though we are experiencing annual growth of 8,000 people. He inquired as to the attitude of the MLA's in the room to towards golf courses.

**(Bec Cody MLA)** Ms Cody stated that, as a back bencher, she was not in a position to comment on behalf of the Government. She advised that the proposal should be allowed to proceed through the planning process and be considered by the independent planning authority. She encouraged community involvement in the consultation process.

**Lorraine Shepherd** asked what assurances were in place to ensure a developer complies with the development restrictions (e.g. restricted height) the club has agreed to.

LOB advised that, at this time, no developers were involved, and one option going forward was for the Club to undertake any development independent of any developers. She added that the rezoning would stipulate the type of residences which would be permitted to be constructed. The Learmonth site proposed rezoning was for single dwelling blocks only and the Drysdale site for medium density development (similar to Urambi). There would be no high-density development, such as that around the Tuggeranong foreshore, **allowed**.

**David ?** asked about the sale of options and whether they presented a conflict of interest.



LOB advised that the options were offered to club members initially and then to the public. 16 options are owned by members and the remaining 7 by members of the public. There is one person who purchased 3 and another who purchased 2. The options do not provide any financial benefit to holders— rather they provide a priority choice of available blocks if and when they are available. All blocks will be sold at market value (determined by an independent valuer). No Directors purchased options at the time of sale and no current Directors hold an option.

**Jackie Yeo** expressed concern over financing of any development.

LOB stated that the immediate priority is on seeking rezoning of the land. If, and when, that succeeds, financing options would be considered. She reiterated her previous reply on financing options.

**Jeremy Dawson** expressed concern over additional traffic on already congested streets and asked why the Kambah Pool Road site was not being considered.

LOB repeated information she had provided earlier in relation to the traffic impact. She added that the draft Planning Report, with details of all surveys undertaken, was available on the Club's website.

**Jackie Yeo repeated her concerns over the financial risk of the club funding the development.**

Dean Hill and LOB restated earlier answers to this concern. Dean also noted that this application was for rezoning of the land, not a DA. If the rezoning is approved, the financing of the Development infrastructure is the next phase.

**Jeremy Dawson.** Raised concerns that traffic flow on Learmonth drive would impact already busy streets.

LOB referred again to the report which is available to the public.

Dean Hill replied that the traffic reports were independently assessed by govt regulated assessors.

**Brian Calder** asserted that the holding of options by ex-Directors, their friends and family holding options was a conflict of interest and suggested that the club should seek legal advice in relation to the option holders. LOB reiterated that no one on the Board at either at the time options were offered or currently hold an option. She stated that the Development Committee is an advisory board, which makes recommendations to the Board of Directors. It does not have any decision-making authority in its own right. Ron Shepherd suggested that the question was directed at him as a past Board member. Ron explained that he purchased the option to help support the club and saw it more as a donation.

**Ralph Wittwer** asked about the future of the golf course land if the Club was unable to continue to operate

Dean Hill stated he would not like to speculate what the government would do with the land but stated he believed there would be some sort of development on the land eventually.

**Peter Lynman** asked how market value in relation to the options would be determined and how would the Club control any actions of a developer.

Ron Shepherd reiterated the earlier answer that market value would be determined by an independent valuation and that, if a developer is brought in, then they will be subject to the caveats that the club has identified.

**Maggie Kane** asked what further options are available if rezoning approval is not provided. She also inquired as to why the Kambah Pool Road site was included if we do not propose to pursue development on that site.

Dean Hill explained that whilst there was no current intention to redevelop the Kambah Pool Road, it was possible that in 10 or 20 years time, the Club might be in a position to do something with this site. It was included in the rezoning application on the basis of advice that we should include all possible sites in rezoning application to save on costs of separate applications.

LOB stated that, if the rezoning application was unsuccessful, we would need to look at what other options were available for revenue raising in relation to these blocks. She mentioned that we had recently been approached by a dirt bike club for use of club land.

**Bill Miller** asked about the independent consultants used to undertake the traffic survey.

Trevor Fitzpatrick provided details.

**Mark Parton MLA** stated that it was evident that everyone in the room valued the current space and expressed concern over the future of the land if it was resumed by government. He asked about what would happen if the club did nothing and sat on its hands for 10 years?

LOB responded that the club might continue to survive hand to mouth by struggling to break even each year. She explained that the club is limiting expenditure to 'must do' items. For example, this year the pumps broke down meaning we were unable to water fairways. The pumps were so old we were unable to get parts for them and so needed to replace them.

The club house and infrastructure are now nearly thirty years old and need reinvestment. She stated that the club would struggle to finance a major incident such as another drought. She outlined how the Club nearly went insolvent during the 2007 drought as a result of the need to purchase water and the drop off in

membership numbers as the fairways all died. She explained that it was only the sale of perpetual memberships which allowed the club to continue at that time.

**Ruth Wright** inquired as to how consultation in relation to the development had occurred.

Ron Shepherd outlined consultation, which had occurred since commencement of the process in 2013 until 2015 when the MCC board decided to proceed.

From 2015 to 2018 we held meetings with various community groups and communicated with community prior to submission of the application.

Dean Hill encouraged all attendees that are not members to become a social member for \$10, support the club and get on the mailing list for information that we send out weekly.

**Diane Pratt** asked for a show of hands as to who had received consultation information in relation to the development. Approximately 90% of the attendees raised their hands.

**Diane Pratt** asked why the traffic would come through Coombs Place

Ron Shepherd explained that no plans had been drawn up in relation to traffic flow and it would be subject to design and approval by authorities at a later date. Ron advised that Diane would have been looking at the original sketches and these are not proper plans.

**Anne Kelly** made comment in relation to the access of kangaroos from the Urambi Hills Nature Reserve.

Dean Hill noted that potential wildlife issues were part of the reports process.

**Paul Curtin** expressed concern over the original development of the Gleneagles Estate, that the Learmonth site was not known as the Crozier site, that local residents would face years of construction and that any development would only benefit golf club members.

Ron Shepherd advised that the noise and inconvenience would be considered and taken on notice should development proceed.

**Lyndon Costello** commented that other facilities such as Royal Canberra GC fence off their courses with 8-foot fences and if anyone enters then they are asked to leave. Lyndon suggested we should fence off to avoid liability problems.

Ron Shepherd replied that under the terms of our lease we were obliged to fence off our property and agreed that under current arrangement we leave ourselves open. However, we have always shared our parklands, walking trails etc. with the local community and will continue to do so.

**Gail Buchanan** commented that when Kambah Pool Road was previously being discussed for development concerns were expressed by residents further up Kambah Pool Road. She stated that everyone has the 'not in my backyard mentality'

and that, if no development goes ahead then the entire course could end up residential. She urged everyone to be sensible about the whole thing.

**Peter Lowe** stated he had been a local resident for 40 years. Peter described the Learmonth/Crozier area as a rough patch of unstable land that is known for its black snakes and hoons getting in and doing wheelies. He stated that under current plans the views to the Brindabella's would be maintained due to this minimalistic development.

He stated it was important to maintain the golf club and the looked after recreational space it provides. It is logical that we all work to maintain this open space by securing its viability and that the long-term goal becomes "SOGC" – Save our golf club!

### **Agenda Item 3 - NEXT STEPS**

**Lynne O'Brien explained the next steps in the process: -**

1. The Club will meet with officials of the ACT Planning department to discuss the rezoning application which was submitted in April this year
2. Once Planning Department officials are satisfied with the draft Planning report:
  - They will prepare a rezoning proposal which will go on public notification for 1-2 months
  - Following this, the proposed territory plan variation and rezoning proposal will be submitted to the Planning Minister (Mr Gentleman) who may refer to the Assembly Planning and Development Committee for public hearings
3. If and when the land is rezoned, the next step is preparation of the development application/s which would contain the detailed plans as well as formal requests for removal of concessional status on affected sites and lease variation to allow the proposed redevelopment.

**Dean Hill then thanked the attendees and closed the meeting. Meeting was closed at 7.50pm.**