

Car park for Supermarket – Maclean – Opposition to motion by Cr Tiley

I oppose the motion to continue the car park sale negotiation process with Metcash/IGA for the following six reasons.

Reason 1. Part (b) of the motion before us today would accept a loss of public car parking spaces with council being required to make up that loss. We know that the car parking requirements for a new supermarket at this location coupled with the loss of existing car parks is 137 spaces. For Council to have to find up to 50 spaces that Metcash/IGA cannot or will not provide on-site, at the going car park contribution rate of 14K per park, the cost to council and its ratepayers would be upwards of \$2 million or 80% of the purchase price on offer by Metcash/IGA. This I believe is unconscionable. I have maintained from the outset that the developer should pay for required additional parks for new supermarket as well as spaces lost in the existing car park because of the development. One Maclean Chamber of Commerce essential outcome is no net loss of existing car park spaces. I am confident that the Chamber did not intend that this be at a huge cost to council

Reason 2. The Woolworths cash offer is substantially above the Metcash/IGA offer. I cannot support ignoring that larger offer. We are duty-bound on behalf of those we represent to properly consider the higher offer. How can we explain or justify not considering the better cash offer and instead, continue a messy negotiation process with a tenderer who provided a non-conforming tender?

Reason 3. The land in question is designated public land – car park – operational land. Yet without consulting with our community, the supporters of this motion at parts (c) – prepare a contract for sale and (d) proceed with a subdivision, would push ahead regardless, and deny our community their entitlement to a voice. This is un-Australian, patently unfair, and even improper. To defer this opportunity to the fait- accompli rezoning or DA stages I believe is plain wrong.

Reason 4. Two months ago the Mayor used his casting vote to pass a hastily cobbled together resolution, which at part 5 stated that the purchaser **or any future party** (interesting that two months ago other parties were considered a possibility) is required to incorporate strong linkage to River street to be reflected in the DA. I believe that this is a vital matter and that Metcash/IGA should have detailed how that would be achieved. Where, for example, is the commitment or agreement for a Section 88B instrument to provide permanent access through the arcade and/or at another suitable location? Another articulated Maclean Chamber of

Commerce essential outcome is strong pedestrian linkage to the River street shops. I argue that council cannot demonstrate that this has been or will be achieved.

Reason 5. At the Committee meeting last week the Metcash/IGA representative acknowledged that, in a letter dated 5th July to the GM, he advised that car park purchase was conditional upon the council granting a DA approval for the development of a supermarket. The representative advised that, in 2010, Bathurst Council had agreed to exactly the same condition. By email prior to the Committee meeting I sought from the representative, a copy of that Bathurst contract clause. I then questioned the representative on this matter at last week's Committee. The required information was not provided before or at the Committee and is still not provided. I am very uncomfortable that council could be perceived to be giving an advance DA approval. What concessions might be required by the developer? Patently wrong. More fait-accompli. Potentially a very serious matter indeed.

Reason 6. The supporters of the motion cannot shelter behind the 15th July Pikes Lawyers legal advice as the justification for continuing the Metcash/IGA negotiation. The reality is that commercial negotiations can be discontinued at any time for good reason. I have outlined above why there are substantial reasons and indeed the imperative for council to discontinue this flawed process.

There is a way out of this sorry mess which I flagged and moved unsuccessfully it in May. The reasons I have articulated today provide Clarence Valley Council every right and justification to discontinue the current flawed negotiation. I urge colleagues to do that now.

Then let us bite the bullet and do the following:-

1. Undertake a short Expression of Interest process to engage a consultant with expertise in this complex commercial area.
2. Have the appointee assist council prepare a specification for all that we seek to achieve on this site, incorporating for example, the full cost of all parking needs to be at cost of developer, securing permanent legal pedestrian access to River street shops, and addressing geophysical and site engineering issues
3. Then call fresh tenders which enable all players to tender on the same clearly defined project. At the same time go to the public for genuine consultation on the sale of public land proposal.

These steps would create a level playing field, attract all potential players and restore transparency to the process.

This might take a few months more but I believe guarantees a much better and transparent result.

Metcash, Woolworths and other operators are not going to disappear if the final decision is delayed a little.

We all want a good supermarket in Maclean CBD. The end result is vitally important for the community. We must not get this wrong and should not proceed until all options are thoroughly investigated.

Cr Ian Tiley

19th July 2011