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10 April 2018

Mayor Mark Jamieson  
Sunshine Coast Regional Council  
Email: [mail@sunshinecoast.qld.gov.au](mailto:mail@sunshinecoast.qld.gov.au)

Dear Mayor Jamieson

**Subject: Brisbane Road Carpark Development**

At our March General Meeting OSCAR members requested that I write to you to seek some clarity in relation to the financial details relating to this development on behalf of the ratepayers of the Sunshine Coast Regional Council (SCRC).

I would like to make it clear that OSCAR is not opposed to appropriate multi-use development on this site and agrees that it is in the interest of the community to maximize the use of this ratepayer owned land. We acknowledge that to simply construct a multi-story carpark would represent underutilisation of this community resource.

We believe, however, that the secrecy surrounding this project gives the community a legitimate cause for concern and encourages a lack of confidence in the probity of the process, perhaps unfairly, when so much key information is being withheld from the public. We would contend that the "commercial-in-confidence" argument, while perhaps initially justifiable during the tender process, is now being used to protect the interests of the developer and the Council bureaucracy itself and not the legitimate interests of the key stakeholder, the ratepayers, who are in no position to make a judgement as to whether the Council has in fact negotiated a good long-term deal on their behalf.

I have attached a summary of the Council Meeting items that have related to this development since April 2016. Of the 17 agenda items, 15 were held in confidential session so it is impossible to gain an understanding of this process given the vague wording of the motions passed each time (also attached). This cannot be described as an open process and did not provide an opportunity for the community to monitor this project as it evolved as I believe may have been suggested by you in your ABC sunshine Coast Radio interview of 2 March 2018.

While OSCAR's objectives place an emphasis on transparent and open governance at the Local Government level we also advocate for low rates and the best possible use of, and greatest return from, community owned assets such as the subject parcel of land.

OSCAR would appreciate answers to the questions on the following pages in order to better inform us, and our member organisations, prior to making further public comments on this matter.

**Question 1**

When did the SCRC originally take ownership of the Brisbane Road carpark site? What were the costs and circumstances of the acquisition?

**Question 2**

Was the tender for this project publically advertised and how many organisations tendered for the development?

[Note: we are not asking for the names of the unsuccessful tenders, simply how many parties were considered by Council prior to selecting Abacus Funds Management Ltd as the successful tenderer.]

**Question 3**

What process did the Council follow in selecting Abacus as the successful developer for this multi-use project and what aspects of its proposal most convinced the Council to award the tender to Abacus?

**Question 4**

Did the Council engage an external probity consultant to guide it through the tender process?

*Context: The fact that the Council owns the subject land, on behalf of ratepayers, would seem to suggest that the potential for conflict of interest was potentially significant and would warrant a higher level of external oversight that might otherwise be the case. Your own explanation of why it was important that the 22 February agenda item 8.5.1 be considered in open session at the Council meeting supports this view.*

**Question 5**

What figure was Council using as the valuation of the subject land prior to the 22 February 2018 Ordinary Meeting? What were the assumptions relating to land use on which this initial valuation was based?

**Question 6**

Has a fresh valuation been undertaken that takes into account the changed circumstances of the land - ie the new approved use of the site based on the Council decision of 22 February 2018 (MCU17/2169)?

*Context: Figures between 17 and 25 million dollars have been quoted in the media. We believe it is in the public interest to know what figure Council is now using for the land component in its determination of the potential return on investment to Council and ratepayers in turn.*

*At this stage in the process OSCAR can see no reason for this figure not being in the public domain.*

**Question 7**

Can you confirm our understanding that ownership of the land, levels B1 and B2 and the airspace above the resulting building will remain with the Council on behalf of its ratepayers?

*Context: This was OSCAR's understanding from the discussion during the Ordinary Meeting of Council held on 22 February 2018.*

**Question 8**

Excluding the value of the land how much ratepayers' money is being paid to Abacus, as a Council contribution, to develop the site?

*Context: During a radio interview you did with ABC Sunshine Coast Radio on 2 March 2018 you indicated, as an indicative guide, that a figure of \$30,000 would be a reasonable estimate of the cost to develop each carpark space. Based on the figure of 704 carparks to be owned by Council does that mean the Council is making a contribution of at least \$21,120,000?*

**Question 9**

What is the Council's estimate of the net gain in carparks for public use in the immediate Mooloolaba area once the waterfront carparks disappear?

*Context: It is OSCAR's understanding that as of February 2018 there are approximately 441 public car spaces in Mooloolaba. 132 of these are the temporary ones on the old caravan park site and there are 130 public car parks situated below the main shopping strip and 179 on the current Brisbane Road site (we acknowledge that our figures may be incorrect and would appreciate clarification if this is the case). Whatever the exact number, all are regulated parks that are currently free.*

*We further understand that under the current proposal for the site there will be 432 open (non-attributed) carparks and a further 272 carparks to service the commercial uses in the development (excluding the residential and retirement spaces).*

**Question 10**

How many car parks in the proposed development will be free to the public, even if limited to the first 2-3 hours for example?

**Question 11**

Will the public be able to park in the spaces "attributed" to commercial use even if not using those commercial operators? Are we also correct to assume the Council will have the right to charge fees on these additional spaces developed for the commercial uses – either directly from the public or from the businesses located within the development?

**Summary**

We would appreciate a timely response to these questions so that the community is aware of how its financial resources are being used, particularly where considerable economic benefit is accruing to a private developer, via Council contribution as is the case with this project, to assist with a commercial development that has the potential to deliver significant profit to the developer without the need for public funding.

The next OSCAR General Meeting is to be held on 26 April 2018; it would be appreciated if a response could be provided prior to that meeting if at all possible.

We believe the time to defend the secrecy that has surrounded this proposal using "commercial-in-confidence" arguments has well and truly passed and the Council should provide the information we are seeking or at the very least indicate a timeframe as to when the requested financial information will be made publically available.

Yours sincerely



Greg Smith  
**President**

cc CEO Michael Whittaker