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8 June 2018

Mr Greg Smith
President
OSCAR
Via Email: president@oscar.org.au

Dear Mr Smith

I refer to your correspondence of 10 April 2018 to Mayor Mark Jamieson regarding the Brisbane Road Car Park Development. The Mayor has noted your correspondence and requested that I respond on his behalf.

I have outlined below information in response to each of the questions posed in your correspondence.

Question 1

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

Response 1

A number of lots make up the Brisbane Road car park site. These were transferred to Council in various parcels between 1969 and 1994. Registered plans indicate the subdivision of parcels originally occurred in December 1935 and 1951. No cost information from the period is available. These lots are held outright by Council in fee simple without any trust obligations noted.

Question 2

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

Response 2

An open Expression of Interest (EOI) process was conducted and publically advertised in August 2015. The EOI closed in October 2015 and seven submissions were received. An Invitation to Tender was released to shortlisted EOI respondents with the final stage of responses received in November 2016. Two submissions were received.

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?

Response 3

The process undertaken was an EOI followed by a tender under the Local Government Regulations and Council's Procurement Policy. The submissions were evaluated by an evaluation panel against pre-determined evaluation criteria, using a prescribed rating system. The process was overseen by an independent Probity Advisor.

Abacus provided the best overall solution which would offer the most significant uplift to the area by the uses it proposed in addition to car parks. Those being:

- Residential
- Hotel
- Retail
- Retirement.

Question 4

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

Response 4

Council engaged Vincents Assurance and Risk Advisory (Vincents) to provide probity advice throughout the tender process. Vincents attended meetings and procurement activities, and provided written confirmation of advice and observations, throughout the EOI and tender processes. The probity advisor will remain engaged until award of the Heads of Agreement and provision of a final report.

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 the initial valuation was based?

Response 5

The Brisbane Road Car Park site is 6,778 m² and was valued in Council's asset register as a car park at \$14.5 million as at 30 June 2017.

On 22 November 2016, Savills provided a valuation report which will be released following finalisation of the Heads of Agreement.

Question 6

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

Response 6

A fresh valuation was not obtained following issue of the Development Approval (MCU17/2169). Council remains cognisant of the site's value and has at all times kept that front of mind in decision making as this matter has progressed.

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 Council on behalf of its ratepayers?

Response 7

Council will retain ownership of all Council public car parks and air space above the finished building height.

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?

Response 8

Council's contributions will be finalised as part of the negotiation of the Heads of Agreement with Abacus.

Question 9

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

Response 9

Implementation of the Mooloolaba Master Plan will see an overall increase in the number of public car parks. There will be a net gain of 510 car parking spaces on the Brisbane Road Car Park site. Council has also sought to supplement parking in the short to mid-term with development of 122 spaces at the northern Esplanade car park, and other smaller solutions throughout Mooloolaba.

Following completion of the Brisbane Road Car Park, 95 spaces will be removed from the beach front and the northern Esplanade car park will be returned to open space. This will allow for a new beachfront public area, increasing the open parkland by 40%, a further 2.4km of waterfront pathways and improved spaces for sporting and entertainment events.

Council has commenced increasing the total number of public car parking spaces in the Mooloolaba area by 1000 in the longer term. Further increases to public car parking are planned, including development of improved parking solutions at the Mooloolaba Wharf.

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?

Response 10

704 car spaces will be available in a council owned public car park.

Question 11

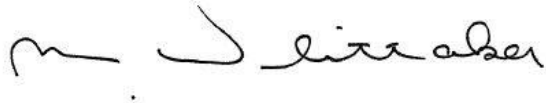
Will the public be able to park in the spaces "attributed" to commercial use even if not using those commercial operators? Are we also correct to assume the Council will have the right to charge fees on these additional spaces developed for the commercial uses – either directly from the public or from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

Response 11

Yes and yes.

Should you require any further information relating to this project, please do not hesitate to contact my office on 5451 6516.

Yours sincerely



Michael Whittaker
CHIEF EXECUTIVE OFFICER