

## **WATSON COMMUNITY ASSOCIATION SUBMISSION TO STANDING COMMITTEE FOR PLANNING AND ENVIRONMENT**

### *Draft Variation to the Territory Plan No.261 – Part Blocks 2 and 3 and Block 5 Section 75 Watson – Changes to Commercial CZ6 and Accommodation Zone*

The Watson Community Association Inc. (“WCA”) does not resile from its objections in response to ACTPLA. The WCA offers additional responses to the Committee in relation to matters concerning community consultation in regard to this variation.

We consider that ACTPLA in particular and the ACT Government have been obfuscatory in many of the responses to previous comments, queries and submissions from the WCA and the general community in relation to the draft variation. We do not believe that ACTPLA has made a bona fide impartial effort to consult with the community.

In an internal email sent within ACTPLA on December 9, 2005 (see Appendix 3), Garrick Calnan wrote:

‘The EAL (now CZ6) policy was originally predicated on the fact that tourist related uses can rarely compete with higher order commercial and residential uses and are likely to be squeezed out if not given protection through planning policies. This is also the case for community and recreation type uses. As we have observed, many of these types of uses will still come under pressure even with the protection of planning policies’.

### **INTRODUCTION**

Since the first notification of the original Draft Variation No.261 in October 2008, the Watson Community Association (WCA) has been of the view that an initial environmental assessment of the impacts of the proposal (either by way of a preliminary assessment (under the now repealed *Land (Planning and Environment) Act 1991*) prior to 31 March 2008, or a planning report or EIS (under the new *Planning and Development Act 2007* after this date) should be undertaken at the draft variation stage.

The WCA believes that initial environmental assessment is most appropriately conducted at the draft variation stage.

- Such an assessment would assist in identifying likely environmental impacts at an early stage and help ensure that good environmental outcomes are achieved.
- Whilst acknowledging that environmental impact assessments may be required at a later development application stage, it is considered preferable to undertake initial assessment to inform any decision on a draft variation.

The Environmental Defenders Office, on behalf of the Watson Community Association, requested that the Minister direct that an initial environmental assessment be undertaken but was unsuccessful. A transcript of a letter received from the Minister for Planning is included as **Attachment 1**.

The WCA considers the letter from the Planning Minister to be obfuscatory. We do not dispute that the draft variation of itself does not materially change the land use to a major road adjacent to a Nature Reserve, or materially involve the clearance of more than 0.5ha of native vegetation. What it does do, however, is ‘allow’ for future provision of a perimeter road adjacent to a Nature Reserve and the clearing of native woodland to occur at a subsequent development application stage.

The draft plan variation is clearly inextricably linked to the redevelopment of the block. The summary of the proposal for the draft plan variation issued in October 2007 stated that 'the proposal is to redevelop Block 3 and Part of Block 2 ...' Consequently it could be suggested that the draft variation proposal 'involves' the clearance of native vegetation through allowing this to happen.

## 1. ENVIRONMENTAL ASSESSMENT AND PUBLIC CONSULTATION

In the Sunday May 18 2008 edition of the Canberra Times, there was a column entitled *Developers' advantage 'not exactly fair'*. This is in relation to a conference being the first to take a national look at issues of environmental assessment. Dr Andrew McIntosh was speaking before the State of Environmental Assessment Conference to be held at the National Museum of Australia on Friday. The conference is the first to take a national look at issues of environmental assessment and is an initiative of the Australian Centre for Environmental Law at the Australian National University. A transcription of the article is provided as **Attachment 2**.

## 2. QUARANTINE OF LAND EAST OF ANTILL STREET FROM RESIDENTIAL USE

What has changed since 1993?

- The ACT Government has issued the Canberra Spatial Plan, and the Affordable Housing Policy, which it has used to justify its decision to overturn a previous undertaking dating from Variation No.5 to the Territory Plan.
- Variation No.5 to the Territory Plan, the predecessor to DV No.261, specifically excluded land east of Antill Street for residential land use (see **APPENDIX 1**).

There was, and still is, considerable community opposition to variation changes from CZ6 Commercial (former Entertainment, Accommodation and Leisure land) to residential land use east of Antill Street. Our opposition to the current proposed variation is based on environmental, social, cultural and economic grounds.

We emphasise that our opposition is not because we object to housing being affordable. However, there does not appear to be any empirical evidence to suggest that "affordable housing" provision of itself will inevitably lead to good social and environmentally sustainable outcomes.

There is a perception among the community that the odds are continuously stacked against them when land is proposed to be rezoned from a lower to a higher land use. This perception goes back at least as far as 1992, and is prophesised in **Attachment 3**.

The decade alluded to in Attachment 3 has well and truly passed. Many of those working in the ACT Public Service and the politicians of the day have moved on. The very same issues, however, confront us now. They are not new, and they are still controversial. In the case of Draft Variation No.261, the ACT Government gives all of the appearance of 'getting on with things' in a political sense.

ACTPLA and the ACT Government have bought into a dubious affordable housing policy; they have been led to believe that lessees are suffering financial stress not of their own making; they have engaged in lengthy discussions, extending over a period of at least four years with a well-known residential development company (the proponent for the proposal), without at any time engaging with the local community.

Consultants employed on behalf of the proponent have advised that the natural environment in the areas designated for residential re-development has little intrinsic value, apart from some significant trees which will be 'filtered out' for possible retention at the Development Application stage.

The material built environment was never considered by the heritage consultant (are the Canberra Fair buildings and their setting considered to be totally worthless?) Social and cultural values associated with the site were not considered.

The WCA is of the view that the land has been 'banked' in order to realise capital gains through a higher land use potential.

- What prior experience did the Olenty Holdings have in managing the original Canberra Fair complex?
- What evidence, other than anecdotal, has the ACT Government been provided with which proves that the Heritage Village concept is inherently unviable?

Olenty Holdings has failed to adequately invest capital resources into the original buildings and infrastructure. It has, however, made very impressive profit from the leasing of land adjacent to the Federal Highway for two visually unattractive and architecturally unsympathetic structures - a service station and a budget motel with a large black and yellow advertising sign to welcome travelers to Canberra.

### **3. DIRECT GRANT OF LAND**

Block 3, Section 75 is an irregularly-shaped parcel of land. The immediately adjoining Part Block 2, Section 75 is currently un-leased Territory land with the same land use zoning. The ACT Government has given in principle support for the direct sale of Part Block 2, Section 75 to the Village Building Company. It is arguable that redevelopment on the scale intended could not occur without the additional 2.86ha direct sale of land of Part Block 2 since the consolidated blocks make for a more regularly shaped entity.

The ACT Government and inter- and intra-agency analysis and consultations are predicated on looking at the effects of re-development occurring on the consolidated entity. The Planning Studies drafted by agents on behalf of the proponent cover both blocks of land. Thus, it appears that the disallowable instrument for the direct sale of land will be tabled if Draft Variation No.261 is passed by the Legislative Assembly.

The WCA is very concerned about the process which has been followed to allow the direct sale of land to mature without any prior community consultation. We are here presenting a transcript of an intra-agency letter (**Attachment 4**), obtained under FOI, which expresses some of these concerns.

### **4. WATSON COMMUNITY ASSOCIATION'S RESPONSE TO THE PROPOSED DIRECT SALE OF PART BLOCK 2, SECTION 75**

The WCA understands that the ACT government is proposing to make a direct grant or sale of land to the developer, aimed at improving the affordability of the dwellings there. We understand that the cost of this land to the developer will be low, because it is said that the site is 'landlocked' as it presently has no road access, and its location makes it unattractive to other buyers.

WCA considers that this is an inappropriate and ineffective mechanism to meet the governments goals of improving affordable housing, disputes the contention that the land has little value and can be provided as cheap land to support the development through a direct grant or sale. We also consider that there are much better ways for the government to meet its affordable housing objectives in this area which would result in less cost to the government, reduced environmental harm, and less pressure on local physical infrastructure.

The process of a direct sale is not transparent and is unlikely to produce the best financial return for the ACT. It smacks of a 'deal done behind closed doors' for a favored developer. Just because the current lessee is able to limit land use and therefore the market value of the public land behind AHV does not mean they should be allowed to exercise this market power. The public land in question will have a high value if it is developed as part of this proposal, and the appropriate way to ensure this benefits the ACT's revenue and affordability goals would be to offer the whole site including the resumed lease at AHV to a wide range of potential bidders and developers. This would provide a true estimate of the market value of the public land if the Territory Plan was varied to permit residential land use.

Providing cheap land to the developer will not necessarily produce more affordable housing of a given quality because the price the developer can obtain will depend on demand and supply conditions in the market. In current circumstances of short supply, it is most likely that the public land subsidy to the development will not be passed on to buyers, but will instead add to the profit of the developer. Even if prices are held down by administrative arrangements in the short term, overall market demand and supply will very soon raise the price of the housing to what the market will pay, and notwithstanding any initial government land subsidy, housing will not remain 'affordable'.

Commonwealth employment, superannuation and capital gains taxation policies driving up housing demand, reducing housing supply, and pressuring prices need to be addressed if housing is to be made affordable. The ACT does not have sufficient land to address the affordability issue by simply increasing total supply in isolation. This approach is unsustainable and irresponsible management of the ACT's public land bank.

A cheaper and more effective way to provide affordable housing in the north Watson area would be to investigate using the government blocks for residential development, and developing such sites through a process of public land development. This approach is far more likely to generate lower cost housing because the profit from the development accrues to the public sector rather than the developer. The profit from development of the land can be used to ensure a quality development and lower housing prices, rather than being needed for the private profit of the developer and existing lessee at AHV.

Previously Assembly inquiry into development of this area responded to concerns at the capacity of local physical and social infrastructure by setting a limit of 1300 in the Variation to the Territory Plan for north Watson. Developing the AHV site would place unacceptable burdens on local infrastructure if the development intensions for north Watson were met, and can be seen as a deliberate attempt to circumvent the intention of the Assembly in approving the previous Variation to the Territory Plan in this area. On the other hand, developing the government sites at north Watson as intended by the variation for that area would avoid unacceptable and costly pressures on infrastructure and would be consistent with the intention of the Assembly to limit these pressures.

## **5. WATSON COMMUNITY ASSOCIATION'S VIEWPOINTS ON DV261**

The WCA will now address issues with regard to viewpoints contained in the *Draft Variation to the Territory Plan No.261* document, dated May 2008, using the paragraph numbering in the document, followed by the proponents viewpoint (if any) and the WCA's responses to these viewpoints.

### **1.1 Summary of the Proposal**

Draft Variation 261:

Part Block 3 Section 75 Watson is currently known as the Australian Heritage Village, which was originally build as a tourist facility and now would require refurbishment to operate as originally intended.

Proponent's viewpoint:

The Australian Heritage Village is a tourist facility that was constructed on Block 3 about 25 years ago. The buildings and site Infrastructure are now in dire need of refurbishment.

Block 3 has been the subject of numerous tourist and recreation enterprises over its life, but has never traded successfully.

ACTPLA's viewpoint: Annex B: Report on Consultation, Draft Variation to the Territory Plan No.261

'The tourism and entertainment activities on the site have proved to be not commercially viable over a long period'. (p.4)

'The heritage village has failed commercially due to market forces' (p. 14)

'Rental of the premises at affordable rates to artists and the like is unlikely to be a commercially viable use of the site'. (p.14)

'The site has failed commercially as a replica heritage village and maintaining the function is not considered to be viable' (p.20)

'The Lessee of the site has advised that this is not the case and attempts were made to have a viable entertainment enterprise which was not successful to the extent of being commercially viable' (p.25)

'It is acknowledged that the upkeep of the buildings and grounds has been sub-optimal however the lessee and representatives have been in negotiation with the ACT Government over the past few years to find an acceptable outcome for redeveloping the site in a viable manner' (p.35)

### **WCA's viewpoint:**

ACTPLA and the ACT Government appear to be parroting words extracted from opinions provided by the lessee, the proponent, and its representatives. What evidence is there to support this viewpoint? Generally speaking, if the buildings and site infrastructure are in dire need of refurbishment, this would indicate a problem with upholding what are clearly defined lease conditions. Currently there are three existing sub-lessees operating businesses on site; the buildings which they occupy are in good condition. We dispute that the condition of the tourist facility as a whole is generally as described. However, building maintenance has been neglected. The ACTPLA responses concur that this neglect has been intentional and attempts to justify the neglect.

ACTPLA has failed to provide any convincing evidence that the precinct has not been commercially viable.

- It should not be acceptable for ACTPLA to be allowed to simply assert this.
- ACTPLA has failed to address the evidence for commercial viability in the WCA submission, and the pertinent historical sketch in Dr Kamminga's heritage assessment report.

The WCA provided evidence and argument in its response to ACTPLA that the precinct and Clancy's had been and still will be commercially viable, and that the precinct had been neglected for a number of years and no bona fide effort has been made to tenant perfectly good commercial buildings and lease association facilities. See Canberra Times Article **(Attachment 5)**

It can be seen that this lack of adequate and/or positive management compromised the income stream so that it may appear that the precinct was not making adequate income in the most recent years.

The WCA has argued that it did in fact make a decent income when an effort was being made to tenant the buildings, and that Olenty Holdings obtained a relatively large (and continuing) return shortly after purchasing the property by facilitating the establishment of a service station and motel on part of the site. That the company did this reflects on the issue of whether it ever really intended that the rest of the precinct thrive since it had already made a large amount of money from the new ventures, the buildings obstructed the view of the heritage village from the Federal Highway, the architecture of both buildings was demonstrably unsympathetic to the architecture of the heritage village, and the constructions entailed the removal of the cane railway that was part of the entertainment package of the original Canberra Fair heritage village.

Since ACTPLA has not in any way presented evidence to rebut the claim and supporting evidence that the precinct including Clancy's was, is and will be, commercially viable, the WCA must ask again, on what reliable evidence does ACTPLA base its claim?

For instance, whilst the WCA interviewed Stuart Wiggins, one of Clancy's lessees, Alby Sedaitis, one of the original partners of Canberry Fair, and other relevant persons about business profitability of Clancy's and the precinct and the extraordinary circumstances of the closure of Clancy's very successful business.

ACTPLA chose not to do so and it chose not to address the evidence presented in the WCA response.

The WCA believes if ACTPLA will not do so, it is beholden on the Standing Committee to properly inform itself of the facts surrounding the issue of commercial viability and ask ACTPLA to account for its apparent inaction.

That the property was profitable to the current owners of the lease is, we believe, without doubt. And now that North Watson and the nearby region of Gunghalin have been established, and the population of north Canberra is increasing in density, there is an even greater catchment for Canberry Fair than ever before.

In any event, ACTPLA has failed in its response to define or quantify its concept of 'commercial viability' for the lessees.

When are their profits insufficient to justify the existence of the precinct? Why do they appear to get special reward from ACTPLA and the ACT Government for neglecting the buildings and the grounds?

Why has ACTPLA and the ACT Government overlooked the fact that whilst the property and the buildings of Canberry Fair are privately leased or owned, the 'recreation, leisure and accommodation' zoning is a significant public asset about to be extinguished forever, and it was never even hinted at in ACTPLA's original public notice calling for community feedback.

In the view of the WCA it is unconscionable that perfectly good commercial buildings and associated facilities were kept empty for years, diminishing the opportunities available for more small business to thrive in the ACT.

Are economic considerations the only good reason for changing land use?

There are a number of leased sites in the Commercial CZ6 Leisure and Accommodation Zone in North Watson with significant infrastructure. The Australian Heritage Village site, including the material infrastructure which currently exists on it, is more than capable of providing the community and recreational facilities which will be required for a fully developed northside community, which will eventually include the residents of south-eastern Gunghalin.

Does the ACT Government intend to identify un-leased vacant CZ6 land or other urban land in the Kenny Group Centre to build community and recreational infrastructure from scratch, when it could be using the Australian Heritage Village infrastructure?

Have the ACT planning bodies, including the ACT Government, consulted with ACT Tourism for its opinion on the potential of the ACT Heritage Village site?

## 2.1 Background

Draft Variation 261:

The Commercial CZ6 Leisure and Accommodation Zone provides for indoor entertainment and recreational facilities, clubs, drink establishments, restaurants and commercial accommodation (such as hotels and motels, serviced apartments and tourist resorts).

The specific location of sites within this zone reflected existing uses. Recent studies and investigations on this site and others within this zone have shown there is more than adequate supply of land for these purposes. Furthermore many of the uses can also be accommodated within other Commercial zones.

### **WCA's viewpoint:**

Despite all of the talk about the amount of un-leased land in the CZ6 zone in North Watson, most of it is categorized as 'Defined' land (in the current Territory Plan these blocks are designated 'Future Urban Areas'), or CZ6 land with an 8K overlay, which provides for residential development. The only two un-leased blocks of land not shown as either FUA or CZ6 with an 8K overlay are Block 1 Section 86 and Block 1 Section 85, both of which are east of Antill Street and adjacent to the Canberra Nature Reserve. The WCA is aware that the remaining North Watson land in CZ6, apart from possibly Block 1 Section 86 and Block 1 Section 85, is now too 'valuable' i.e. has higher land use potential, which effectively precludes it from being considered for community and recreational purposes.

A plan, showing blocks with the zoning discussed above is shown on **Figure 1**.

## 2.2 Concept Planning

Draft Variation 261:

A broader concept planning process is soon to commence which includes the remaining undeveloped blocks of North Watson, along with the future suburb of Kenny and the southern part of Harrison.

Concept planning for the study area, including community consultation on the draft concept plan, is expected to be complete by the end of 2008 and thereafter formally included in the Territory Plan as a precinct code during the first half of 2009. The concept plan for North Watson will respond to the development that has already occurred in North Watson (including the Heritage Village site if approved), whilst acknowledging that North Watson is located in close proximity to the commercial and recreation facilities that will be available within the Kenny Group Centre.

Planning will review issues such as zoning, development conditions and controls, future development in the area, environmental considerations and future servicing requirements. The concept plan study would also provide the opportunity to consider and address the broader issues raised in public consultation on the Heritage Village site, such as infrastructure and community facility provision.

Once the concept planning and Territory Plan variation processes (to introduce the precinct code) are complete, remaining blocks in North Watson could be made available for development as and when the demand arises.

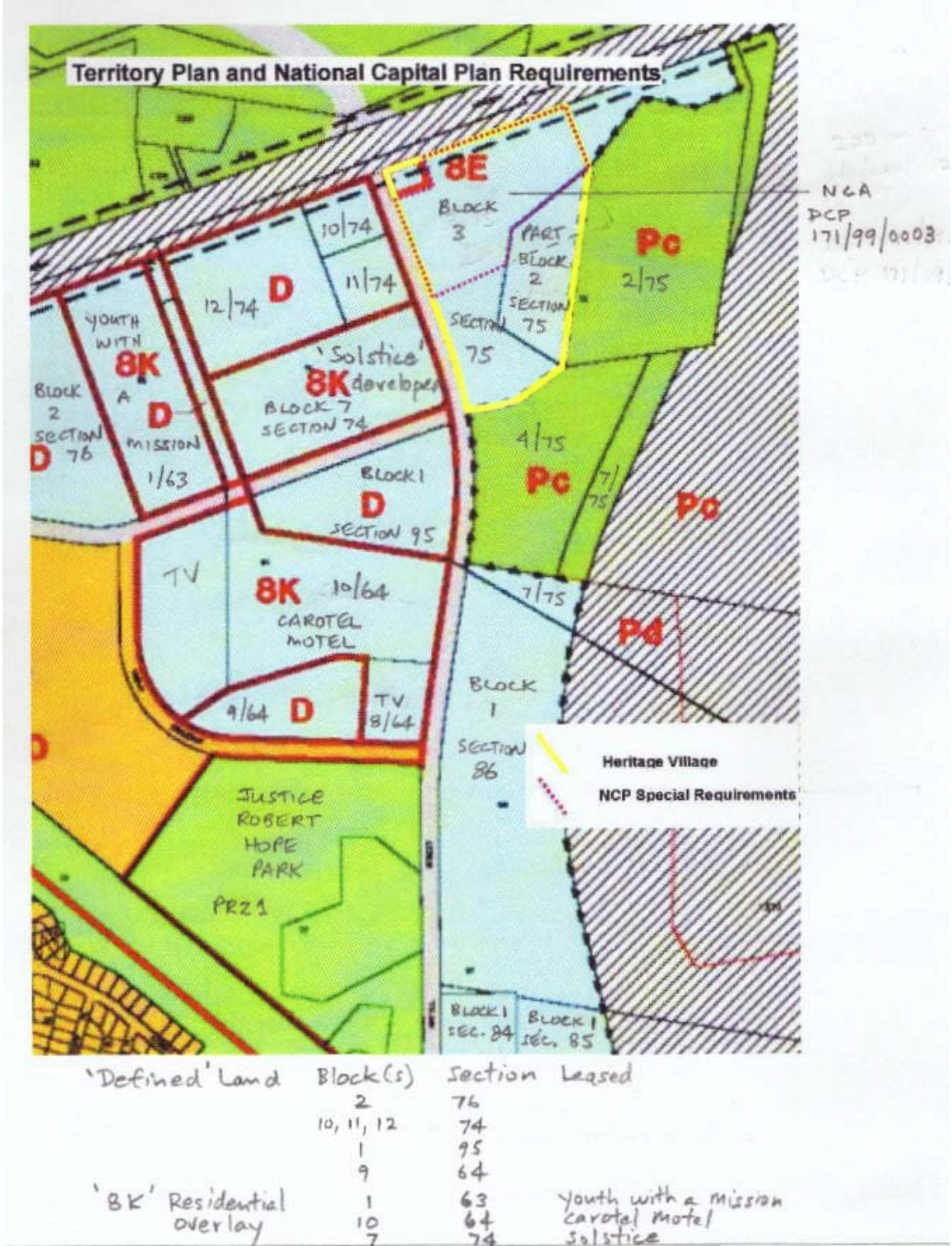
**WCA's response:**

Unbeknownst to the general public, there was an earlier unpublished Draft Variation 261. There is reference to it in item number 43, received by the Watson Community Association in the FOI documents received from the ACT Planning and Land Authority. There is an email sent from Dr Maxine Cooper (then Conservator of Fauna and Flora) to Alexandra Steven (Territory Plan Team) dated 1 December 2005 which reveals the nature of this draft variation (see **APPENDIX 2**).

Unpublished Draft Variation 261, which appears to have been an attempt to rationalise, simplify or remove existing EAL land use policies, was abandoned. It appears to have generated too many diverse and conflicting opinions from individuals within the agency who were asked to, or volunteered, comments. The issue was resolved on 9 January 2006 in an email to the effect: 'We will proceed with a DVP for the Heritage Village separate from the broader North Watson debate'. (Jacqui Lavis to Tania Carter (ACTPLA); Kelly Blacker; Sancy Kolak; cc to Hamish Sinclair).

Despite the 'controversy' which appears to have dogged the earlier version of DV261, why didn't ACTPLA persist in its feeble attempts to create a 'precinct code' for all of the remaining EAL land in North Watson? Was the issue too emotive, too politically charged, or too controversial? Would there have been a different outcome for the Heritage Village if this had been done?

ACTPLA appears to be unable to manage consultation and controversy emanating from within its own agency (see **APPENDIX 3**), never mind the 'Claytons' consultation it conducts with community groups and organisations. The WCA waits with baited breath for the opportunity to provide input into a 'precinct code' which would include all of the urban area in North Watson. Given our experience from the past, which goes back to 1989, this would appear unlikely.



**Figure 1:** Territory Plan extracted from the *Affordable Housing Planning Study*, p. 12, February 2007, p12, The Village Building Co., annotated in pencil by the Watson Community Association

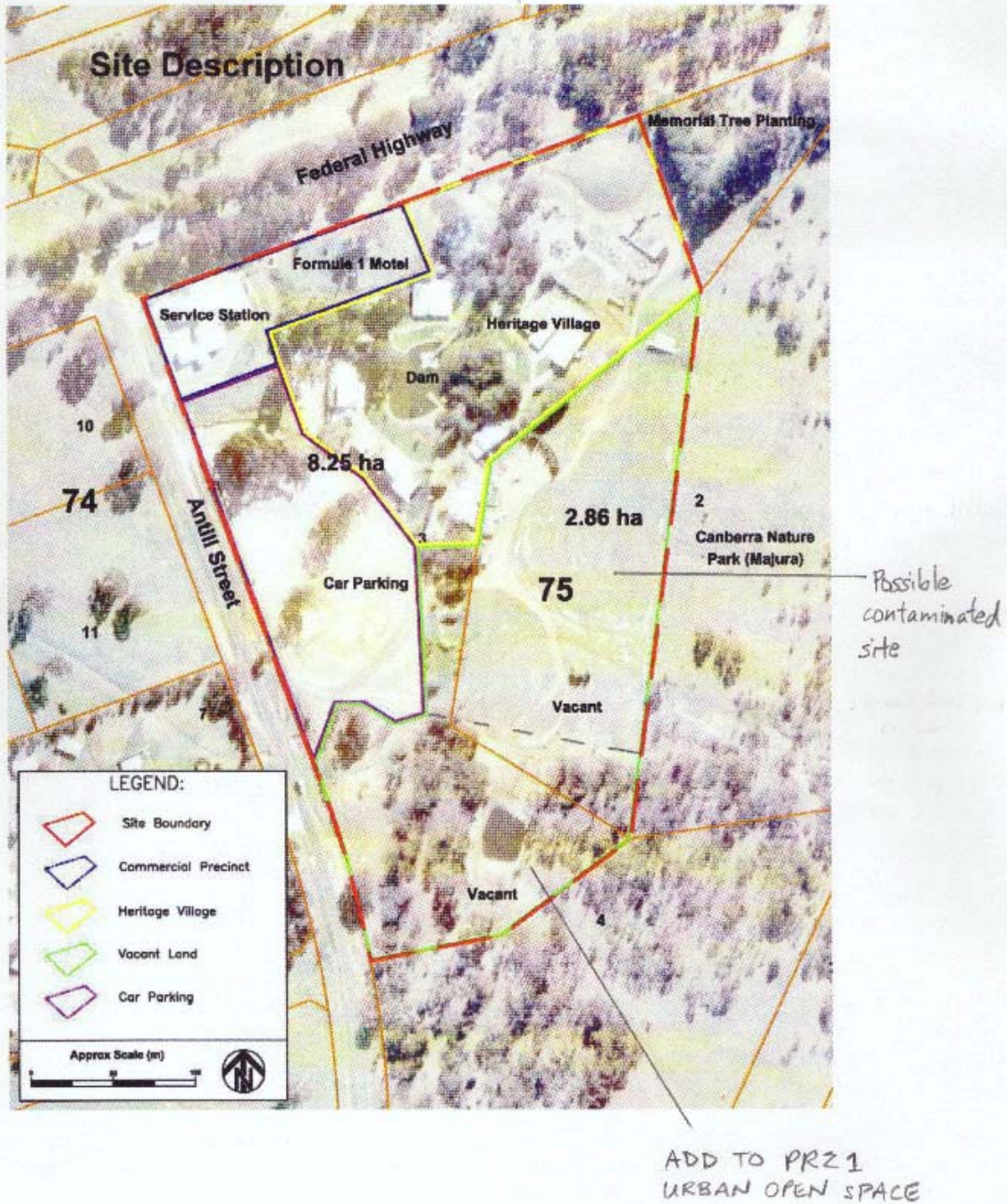


Figure 2: Aerial photograph showing Australian Heritage Village site and environs. The total area for part Blocks 2 and 3, Section 75, is roughly 11ha. This has been scanned from p.10 *Affordable Housing Planning Study*, February 2007, The Village Building Co., with annotations in pencil provided by the Watson Community Association.

APPENDIX 1: VARIATION NO.5 TO THE TERRITORY PLAN – LETTER FROM ACTPLA



ACT GOVERNMENT  
DEPARTMENT OF THE ENVIRONMENT LAND AND PLANNING  
JOHN OVERALL OFFICES 220 NORTHBOURNE AVE BRADDON ACT 2601  
GPO BOX 1908 CANBERRA ACT 2601  
ACT PLANNING AUTHORITY

TEL: 207 2550

FAX: 207 2557

REF:

**NORTH WATSON**

To : All respondents to the  
North Watson Preliminary  
Assessment Report

Thank you for your response to the North Watson Preliminary Assessment report.

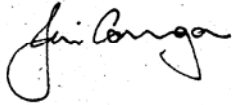
All comments received through the Preliminary Assessment report consultation process have been thoroughly considered and the original proposal has been amended as follows:

- the proposed housing development east of Antill Street will not proceed,
- the degazettal of the Stirling Avenue road reserve between Aspinall and Antill Streets has been confirmed, with this area being enhanced as open space for recreational purposes, and
- by providing further opportunity for the development of the tourist gateway along the Federal Highway in addition to the option of residential development.

The proposed development plan also makes provision for the retention of important habitat and visually significant trees within areas that will provide maximum protection such as open space areas and verges.

The Government believes that it has listened to the community and responded in a way that will reduce the concerns about the North Watson proposal while maintaining the advantages in developing this important urban renewal site.

I have attached a copy of the draft Variation to the Territory Plan to allow residential development at North Watson and I would encourage you to submit any written comments to me as Chief Planner by the closing date of 17 May 1993.



for

GEORGE TOMLINS  
CHIEF PLANNER  
ACT PLANNING AUTHORITY  
16 April 1993

**Submissions should be addressed to:**

The Chief Planner  
ACT Planning Authority  
John Overall Offices  
PO Box 1908  
CANBERRA ACT 2601

APPENDIX 2: ABANDONED DRAFT VARIATION TO THE TERRITORY PLAN NUMBER 261  
Correspondence between ACTPLA and the Conservator of Flora and Fauna

Page 1 of 1

**Chami, Nadia**

---

**From:** Steven, Alexandra  
**Sent:** Thursday, 1 December 2005 1:39 PM  
**To:** McKeown, Helen  
**Subject:** Referral to Conservator - DV261 North Watson Heritage Village and EAL  
**Attachments:** DV261 North Watson Heritage Village and EAL.doc

Attention Dr Maxine Cooper

Dear Dr Cooper

**RE: Draft Variation to the Territory Plan Number 261 - Watson Sections 63, 64, 76, 84, 85, 86, 87, 94, 95 and 113 and part Sections 61 and 75 Removal of Entertainment Accommodation and Leisure Land Use Policy**

Please find attached an advanced draft of Variation to the Territory Plan Number 261 - Watson Removal of Entertainment Accommodation and Leisure Land Use Policies. The draft Variation proposes to amend the land use policies on the Territory Plan written instrument and map to allow for replacement of the existing Entertainment Accommodation and Leisure Land Use Policy in North Watson with Residential, Community Facility and Hills Ridges and Buffers Land Use Policies.

Your advice on the draft variation is sought in accordance with section 16 of the *Land (Planning and Environment) Act 1991*. It would be appreciated by 23 December 2005

Yours sincerely

Alexandra Steven  
Territory Plan Team  
Statutory Planning and Development Services  
1 December 2005

14/03/2008



ACT Government

Arts, Heritage and Environment

CHIEF MINISTER'S DEPARTMENT



Chief Planning Executive,  
ACT Planning and Land Authority  
Dame Pattie Menzies Building  
DICKSON ACT 2602

In accordance with Section 16 of the Land (Planning and Environment) Act 1991, I advise that I have had Draft Variation to the Territory Plan No. 261 – Watson Sections 63, 64, 74, 76, 84, 85 – 87, 94, 95 and 113 and part Sections 61 and 75 – Removal of Entertainment, Accommodation and Leisure Land Use Policy, examined and there are no issues of concern with the proposal.

The inclusion of Sections 75, 85 and 86 in the Hills, Ridges and Buffers land use policy is supported. It should be noted however that these areas, in particular Sections 85 and 86 (currently Hackett Horse Paddocks) are unsuitable for future inclusion into Nature Reserve. Although supporting many large eucalypts these paddocks are predominantly Phalaris pasture and as such will always require grazing to manage biomass and maintain a fire break between the urban edge and Mount Majura Reserve

Please contact Helen McKeown on 62072247 if further information is required.

  
Dr Maxine Cooper  
Conservator of Flora and Fauna

7 December 2005

EXECUTIVE DIRECTOR ARTS HERITAGE AND ENVIRONMENT • Dr Maxine Cooper

Level 2 Annexe, Macarthur House 12 Wattle Street, Lyneham ACT PO Box 144, Lyneham ACT 2602  
Telephone 02 6207 2230 Fax 02 6207 2316 email maxine.cooper@act.gov.au website www.environment.act.gov.au

APPENDIX 3: ABANDONED DRAFT VARIATION TO THE TERRITORY PLAN NUMBER 261  
Internal email correspondence within ACTPLA

Page 1 of 2

**Chami, Nadia**

---

**From:** Calnan, Garrick  
**Sent:** Friday, 9 December 2005 2:51 PM  
**To:** Steven, Alexandra; Sinclair, Hamish  
**Cc:** Ekelund, Dorte; Lavis, Jacqui; Lewis, Paul; Richardson, Dave; Burnham, Keith; Chambers, Harvey; Quirk, Mike; Chivers, Roslyn  
**Subject:** FW: DV261 North Watson Heritage Village and EAL  
**Attachments:** ObjRef.obr

Hamish/ Alex

As discussed at our meeting on 7 December, I believe the Authority exposes itself to significant risks if it proceeds with this DV in its current form.

The policy changes proposed in the DV are very significant and should only be progressed if supported by thorough analysis. At this stage it appears that such analysis has not been undertaken. In particular, the proposal to replace all provision for EAL uses with a Residential land use policy needs to be investigated and explained. A number of the recent changes to EAL land use policy in other areas (eg Australian Capital Village, Embassy Motel, Macquarie Hotel) were partly justified on the basis that there was plenty of EAL land at North Watson.

The EAL policy was originally predicated on the fact that tourist related uses can rarely compete with higher order commercial and residential uses and are likely to be squeezed out if not given protection through planning policies. This is also the case for community and recreation type uses. As we have observed, many of these type of uses will still come under pressure even with the protection of planning policies. An important question for the Planning System Reform project will be the extent to which it proposes to use planning policies to protect such vulnerable uses in the future.

The DV proposes to convert the EAL land to the east of Antill Street to HRB. Again, there is no explanation as to why this is proposed. The Land Strategy and Assets section had identified this area as possible site for a future caravan park/ camping ground. This option would not be available if the DV proceeds. *Look out Red Cedars, Carrotel has an BK overlay, Now they want to take Antill St East?*  
The proposal to convert the remaining EAL land in North Watson to Residential requires much more thorough analysis. The planning processes in the early 1990s which led to the current policies were extremely wide ranging. Some of the issues raised during these processes were very contentious. Paul Lewis was heavily involved and would be a good source for background.

Those processes led to the introduction of a cap on the number of dwellings that would be permitted in the area. It now appears that the cap is proposed to be abandoned. However there does not appear to be any analysis to support this decision and there is no indication of what the likely new dwelling yield for the area may be or investigation of the implications in terms of service provision, infrastructure, etc.

The DV proposes to introduce the B13 ASP for the land along the Federal Highway (again without any apparent justification). The B13 ASP currently applies to land fronting Northbourne Ave and was introduced following an extensive urban design and planning study in the late 1990s. The policies were intended to create and reinforce the role of Northbourne Ave as an urban boulevard and although contentious at the time, the results are now starting to take shape with the extensive developments that have occurred along the avenue.

I really have to question the applicability of the B13 ASP in the North Watson context. The Federal Highway is unlikely to perform the role of an urban boulevard in the foreseeable future. It is not a public transport spine like Northbourne Ave and the land on the other side of the highway has either a Broadacre or HRB land use policy. Furthermore, I would be very surprised if the NCA would support this initiative given the building height and other provisions of the ASP. Has there been any consultation with the NCA on the matter, noting that a DCP will be required for any development fronting the highway?

Another issue is that the conversion of the current EAL policy to residential will remove the option of utilising land in the North Watson area for community purposes. The EAL policy provides for community use but the

14/03/2008

Residential policy does not. There is an acute shortage of community facility policy land in North Canberra and the North Watson area currently provides an option for accommodate some of the pressures that have or are likely to emerge.

If the Authority wishes to proceed with the DV in its current form, I believe it should only do so after a thorough planning study of the whole area. I would assume that responsibility for such a study would lie with the Structure Planning section. However, I understand that at this point in time no resources have been allocated to do such work nor is it programmed. I also note that currently there is no mention in the Land Supply Strategy of the North Watson area as a potential source of residential land. This raises the question of why resources should be allocated in these circumstances?

Garrick

-----Original Message-----

**From:** Steven, Alexandra

**Sent:** Thursday, 1 December 2005 10:29 AM

**To:** Chivers, Roslyn; Lewis, Paul; Lander, Dulce; Chambers, Harvey; Williamson, Gay; Brown, Ray; Gibson, Beth; Calnan, Garrick; Lees, Paul

**Subject:** DV261 North Watson Heritage Village and EAL

Please find attached an initial draft Variation for feedback and information.

Please provide comments (including 'no comment') to me by COB 23 December.

Thank you very much for your input.

Alexandra

Alexandra Steven  
Territory Plan Team  
Statutory Planning and Development Services  
ACT Planning and Land Authority  
Ph: 02 6207 1733  
Fax: 02 6207 1710

14/03/2008

**Chami, Nadia**

**From:** Sinclair, Hamish  
**Sent:** Wednesday, 7 December 2005 4:50 PM  
**To:** Steven, Alexandra  
**Subject:** RE: meeting outcomes - north watson

These following points are from the meeting this morning.

- The draft Variation needs to provide more comprehensive background to support the policy change and requires greater input from Policy branch before it could proceed as a draft DVP. The planning study for the the Heritage Village included all of the EAL land and DVP responses to it need to focus on applicability of the study recommendations to the wider context.
- Consideration needs to be given to the inclusion of all sections within North Watson EAL . TP section will scope questions to relevant managers seeking to address queries raised regarding the extent of any change to the EAL LUP and the consequential potential for community responses. There is potential for community reaction, as well as objection from television stations to residential due to EME and line of sight concerns. The current LUP 8K overlay specifically provides for residential use on 8K sites however on the TV station sites some work is required to identify the most appropriate LUP were the 8K to be removed.
  - Previous PA and estate planning studies suggested golden sun moth could present problems. This work is over 10 years old and needs clarification of relevance given the subsequent development, leases and residential densities. What principles and policies of the defined land remain relevant for those sites yet to be developed.
  - Downzoning Sections 85, 86, 87 to HR&B loses potential site for future commercial accommodation and tourist facilities such as caravan/camping facilities. How does this impact on existing sites being utilised for these uses and future use provision. What impact would the proposed uses have with regards to wildlife corridors? Is development an option or do ecological constraints support other LUP options? Can those development options be contained within other LUPs and if so what are they?.
  - The relevance of the B13 policy needs to be addressed, as the controls are specific to the Northbourne Corridor from Mouat Street to Barry Drive. How would B13 respond with additional policy and performance measures to recognise the existing outcomes on 8K sites?

Further analysis is required on the following issues:

- dwelling yield, existing and potential - related to previous PA and servicing studies ( related to the issue of relevance following subsequent development).
- impacts on infrastructure, stormwater, sewer, services, education facilities etc should the defined land be developed for residential opportunity.
- Desired land uses, nature of future development - Commercial/tourist v residential, high density v suburban, lease constraints .
- Is a structure plan or master plan process for the region required and what priority is it. *Yes it is!*
- What are the potential impacts and relevancy to land release strategies.

In the interim TP to talk to all sections and seek input and advice and formulate desirable position/s. Once the draft Variation gets to a more refined position it will go to PLC for advice.

**Alexandra Steven**  
Territory Plan Team  
Statutory Planning and Development Services  
ACT Planning and Land Authority  
Ph: 02 6207 1733  
Fax: 02 6207 1710

14/03/2008

**Chami, Nadia**

---

**From:** Ponton, Ben  
**Sent:** Tuesday, 28 March 2006 3:23 PM  
**To:** Thevar, Shirley  
**Cc:** Rajasekaram, Joyce  
**Subject:** FW: meeting outcomes - north Watson

Shirley - FYI.

Regards,

B~

---

Ben Ponton  
Manager  
Development Assessment  
and Territory Plan Variations  
ACT Planning & Land Authority

**Telephone:** (02) 6207 7229  
**Facsimile:** (02) 6207 1856

-----Original Message-----

**From:** Lavis, Jacqui  
**Sent:** Tuesday, 28 March 2006 1:43 PM  
**To:** Sinclair, Hamish  
**Cc:** Kolak, Sancy; Ponton, Ben  
**Subject:** RE: meeting outcomes - north Watson

Hamish/Ben

EMC have confirmed that a caravan park use is not required for the Heritage Village site. The discussion suggested that a caravan park might still be required on other EAL land in Antill St.

Jacqui

-----Original Message-----

**From:** Sinclair, Hamish  
**Sent:** Wednesday, 8 March 2006 10:18 AM  
**To:** Lavis, Jacqui  
**Cc:** Ponton, Ben  
**Subject:** FW: meeting outcomes - north Watson

Jacqui

Regarding the mystery of comments on a caravan park requirement for EA&L in nth Watson ( Heritage Village) the email below documents the December policy meeting outcomes where the matter was formerly raised by Policy branch. These minutes were sent back to Policy branch attendees to confirm the outcomes. The meeting was with Paul Lewis, Garrick, Mike Q, Dave Richardson, Alex S and myself.

Garrick was quite insistent on the camping/caravan park issue as "*EA&L is the only zone that provides for the use in the area*" although it was pointed out that Broad acre adjacent to the site (the Fed Hwy

14/03/2008

side) also provides for it. TP wasn't supportive of the position then and remains unconvinced that it is a relevant issue to the EA&L zone debate.

Hope this clarifies things.

regards Hamish

-----Original Message-----

**From:** Sinclair, Hamish

**Sent:** Wednesday, 7 December 2005 4:50 PM

**To:** Steven, Alexandra

**Subject:** RE: meeting outcomes - north watson

These following points are from the meeting this morning.

- The draft Variation needs to provide more comprehensive background to support the policy change and requires greater input from Policy branch before it could proceed as a draft DVP. The planning study for the the Hertiage Village included all of the EAL land and DVP responses to it need to focus on applicability of the study recommendations to the wider context.
- Consideration needs to be given to the inclusion of all sections within North Watson EAL . TP section will scope questions to relevant managers seeking to address queries raised regarding the extent of any change to the EAL LUP and the consequential potential for community responses. There is potential for community reaction, as well as objection from television stations to residential due to EME and line of sight concerns. The current LUP 8K overlay specifically provides for residential use on 8K sites however on the TV station sites some work is required to identify the most appropriate LUP were the 8K to be removed.
  - Previous PA and estate planning studies suggested golden sun moth could present problems. This work is over 10 years old and needs clarification of relevance given the subsequent development, leases and residential densities. What principles and policies of the defined land remain relevant for those sites yet to be developed.
  - **Downzoning Sections 85, 86, 87 to HR&B loses potential site for future commercial accommodation and tourist facilities such as caravan/camping facilities.** How does this impact on existing sites being utilised for these uses and future use provision. What impact would the proposed uses have with regards to wildlife corridors? Is development an option or do ecological constraints support other LUP options? Can those development options be contained within other LUPs and if so what are they?
  - The relevance of the B13 policy needs to be addressed, as the controls are specific to the Northbourne Corridor from Mouat Street to Barry Drive. How would B13 respond with additional policy and performance measures to recognise the existing outcomes on 8K sites?

Further analysis is required on the following issues:

- dwelling yield, existing and potential - related to previous PA and servicing studies ( related to the issue of relevance following subsequent development).
- impacts on infrastructure, stormwater, sewer, services, education facilities etc should the defined land be developed for residential opportunity.
- Desired land uses, nature of future development - Commercial/tourist v residential, high density v suburban, lease constraints .
- Is a structure plan or master plan process for the region required and what priority is it.
- What are the potential impacts and relevancy to land release strategies.

In the interim TP to talk to all sections and seek input and advice and formulate desirable position/s. Once the draft Variation gets to a more refined position it will go to PLC for advice.

Alexandra Steven

14/03/2008

**Chami, Nadia**

---

**From:** Sinclair, Hamish  
**Sent:** Friday, 9 December 2005 4:57 PM  
**To:** Lewis, Paul; Calnan, Garrick  
**Cc:** Ekelund, Dorte; Lavis, Jacqui; Richardson, Dave; Burnham, Keith; Chambers, Harvey; Quirk, Mike; Chivers, Roslyn; Steven, Alexandra; Savery, Neil; Gibson, Beth; Finlay, Jennifer  
**Subject:** RE: DV261 North Watson Heritage Village and EAL

Thanks Paul.

To conclude this i can advise, following discussion with Dorte yesterday on the broader issue of policy coordination and input, that we have resolved that Dorte will coordinate branch responses and that the TP team will direct requests through her office. Obviously the decision tree that Neil introduced will take effect where branch opinions are at odds and the matter would then be referred up to EMC. *Executive management.*

With regard to North Watson EAL i have requested a Policy branch position on this. I also note that the final form of any DVP is largely irrelevant as it is likely to fall within the PSR TP restructure and in line with the communications strategy endorsed by the EMC on Wednesday this project is one of a number for consideration by a number of working groups to be set up in the near future. The particular project packages and selection of working group leaders/champions will of course also be referred through Dortes office to ensure a suitably diverse and comprehensive inclusion of Authority resources.

regards Hamish

-----Original Message-----

**From:** Lewis, Paul  
**Sent:** Friday, 9 December 2005 3:40 PM  
**To:** Calnan, Garrick; Sinclair, Hamish  
**Cc:** Ekelund, Dorte; Lavis, Jacqui; Richardson, Dave; Burnham, Keith; Chambers, Harvey; Quirk, Mike; Chivers, Roslyn; Steven, Alexandra; Savery, Neil  
**Subject:** RE: DV261 North Watson Heritage Village and EAL

Garrick/Hamish

This would seem to be another good example of where planning policy preparation and administrative process need to be clarified.

Can I suggest that this is clearly a matter for the Executive (Neil/Dorte/Jacqui..?) to discuss and resolve where this function resides.

Thanks  
Paul

14/03/2008

**Chami, Nadia**

---

**From:** Sinclair, Hamish  
**Sent:** Monday, 9 January 2006 9:15 AM  
**To:** Rajasekaram, Joyce; Thevar, Shirley  
**Subject:** FW: DV261 North Watson Heritage Village and EAL 1.0 ( #1 )

*Jan 9 2006*

Shirley  
looks like we have agreeen light on Nth Watson but limited to a site specific response ( Village to Residential with ASP)

regards Hamish

-----Original Message-----

**From:** Lavis, Jacqui  
**Sent:** Friday, 6 January 2006 4:25 PM  
**To:** Carter, Tania (ACTPLA); Blacker, Kelly; Kolak, Sancy  
**Cc:** Sinclair, Hamish  
**Subject:** RE: DV261 North Watson Heritage Village and EAL 1.0 ( #1 )

as a result of EMC deliberations on the DVP priority list ..this item no longer requires discussion at Policy Forum  
We will proceed with a DVP for the Heritage Village separate from the broader North Watson debate

[Lavis, Jacqui]

-----Original Message-----

**From:** Carter, Tania (ACTPLA)  
**Sent:** Thursday, 5 January 2006 3:14 PM  
**To:** Cheryl Pech (E-mail); Kelly Blacker (E-mail); Kolak, Sancy; Lavis, Jacqui  
**Subject:** FW: DV261 North Watson Heritage Village and EAL 1.0 ( #1 )

Hi Cheryl,

Can you please confirm whether this item is still on track for the next Policy Forum meeting and if so I will need a submission proforma/supporting documents from Hamish (by Tuesday so I can circulate to all).

Many thanks  
Tania.

14/03/2008

**Attachment 1:** Letter from Minister for Planning to the Environmental Defenders Office

Andrew Barr MLA  
Minister for Education and Training  
Minister for Planning  
Minister for Tourism, Sport and Recreation  
Minister for Industrial Relations

*(stamped received 13 May 2008)*

Ms Kirsten Miller  
Principal Solicitor  
Environmental Defender's Office ACT Inc  
GPO Box 574  
CANBERRA ACT 2601

Dear Ms Miller

Thank you for your letter of 15 April 2008 on behalf of the Watson Community Association regarding Draft Variation No. 261 to the Territory Plan.

You requested in your letter that a Preliminary Assessment (PA) be undertaken due to the potential high environmental impact of this proposal and the public concern resulting from the proposed development.

As you are aware, the *Land (Planning and Environment) Act 1991* (the Land Act) has been repealed and superseded by the *Planning and Development Act 2007* (the P&D Act). There is no longer provision for PA under the P&D Act, however, this has been replaced by the requirement for Environmental Impact Statements (EIS) under specific circumstances, similar to those which triggered a PA under the Land Act.

An EIS is required in some circumstances for instance such as for any impact track Development Application (DA) (s128 of the P&D Act) and for certain development proposals where an activity, area or process is listed in Schedule 4 of the P&D Act. This includes proposals for construction of a major road and the clearing of more than 0.5ha of native vegetation.

A mandatory PA would not have been triggered under the old Act, as it did not involve a change of land use policy from one of those listed in Schedule II.1 of Appendix II of the previous Territory Plan. Furthermore, the draft Variation proposal in itself would not have involved the construction of a major road or the clearance of more than 0.5ha of native vegetation.

Similarly, under the P&D Act and the requirements for an EIS in accordance with activities, areas or processes listed in Schedule 4, neither of these circumstances apply to the draft variation process. If the variation is approved, the subsequent DA would be subject to the requirements of the P&D Act in terms of whether an EIS is triggered by the proposed development activity.

I do not foresee sufficient reason at this stage to intervene prior to the outcomes of the draft variation process and request an EIS in relation to the proposed development.

Thank you for raising this matter with me.

Yours sincerely

Andrew Barr MLA  
Minister for Planning

## **Attachment 2**

Mr McIntosh said that despite environmental impact assessments, which are usually required for large developments at state and federal levels, development applications are often approved at a cost to other stakeholders. "In a lot of these highly controversial processes, the decision is against environmental outcomes," he said. He said that only five projects had been knocked back by federal ministers out of 3000 applications that were lodged in the past eight years. He also questioned the openness of the planning process and said that the period of time in which people could lodge applications, sometimes just 10 business days, was too short. "It's not exactly fair," he said. "The question is whether they're providing each party with a fair and equal opportunity to get their views across to decision makers." He suggested that stakeholders be given more time to comment on development applications and that community groups be assisted to understand what can be a complicated process.

### **Attachment 3: Crispin Hull *Planning Powerplays*, November, 1992**

The Member for Canberra, John Langmore, says having two planning bodies was bound to cause conflict, especially when national considerations of land use overlapped local considerations. He thought there should be one body with equal ACT and Federal representatives, and then the conflict could be resolved more constructively within the one organization.

The Territory now has an independent planning and administrative structure to deal with planning and land development. True, it is subject to the National Capital Plan, which is the law, but it is not in any bureaucratic way enmeshed in the federal bureaucracy. It is small, powerful and on its own. It is accountable to the ACT Assembly and the ACT electorate, but the smallness of the operation means that is small comfort. The history of state and local government in Australia shows the potential for problems is great. Several people have expressed concern about this. It is not a question of what is happening now. There can be doubt that individual applications for lease-purpose changes, broader land-use changes and planning in general are being administered properly and competently. The problem is the potential for things going wrong in the future. When administrators, politicians, developers, consultants, lease-holders and businessmen all live in the same town there is a potential for them to develop a club mentality where corners are cut and deals are stitched up, not necessarily for personal gain, but more in the spirit of wanting to get on with things. If that were to happen in the ACT, it may well be that the ACT would get some benefit from the red-tape cutting, but it would be at the serious cost of public participation in land-use questions.

The betterment-tax requirements are not enough to prevent, for example, the change of purpose from residential to office use, from being anything but profitable. That sort of power has to be exercised very carefully and very openly. The smaller the polity in which these powers are exercised the greater the possibility for personal links to play a role greater than they should. It is fortunate that at present the ACT has inherited an ethos from the Federal Public Service where this is unthinkable. But in a decade or so, with a separate service and with the former ethos having less influence, the potential for this wide local power to be used improperly is there.

The answer should not be for a joint planning body, if self-government is to mean anything, but for a very active, questioning public, and one that takes active part in the processes of public input laid out in the new ACT legislation on land use passed earlier this morning. It is no good waking up one morning and finding out that the character of the city has changed and there is nothing we can do about it.

The president of the Conservation Council of the South-East Region and Canberra, Jacqueline Rees, says the planning process is not working as the Government promised. Much is spoken of consultation, but its effects are rarely seen. She argues that the motives of planners and developers are described in terms of statistics, the number of dwellings and the investment value in dollars. "It is fair enough to talk about dollars and the need for financial restraint, but if you don't look at society and the environment, the budget will never balance. If you consider the environment and society, you come out on top financially".

An interesting example of her thesis is Melba Flats/Baringa Gardens. In the 1950s, the Melba Flats, in Belconnen, would have been called a slum. These days such things are called low-cost housing. Whatever they are called, unless society and environmental values are considered when they are built, they become costly in economic as well as human terms: where the hollowed and stuffed people measure out their lives in coffee spoons and accountants have to measure out the cost of rebuilding. Melba Flats were not only renamed; they were eventually bulldozed.

We have guidelines on solar access, but apparently little enforcement. Roads follow short-term financial contours, not to create solar streetscapes which would provide lifetimes of electricity saving. Go out to Tuggeranong and look at how many *nongs* build houses with the main windows facing south.

John Langmore is appalled at the small number of developers in the market and the large number of blocks they get to service. He would like to see the ACT Government back in land servicing, and smaller parcels being offered so small builders would get a go and provide more competition. The Government has that opportunity with its decision this week to reject a proposal by Bob Winnell, one of the big three land developers, to develop a large chunk of Gunghalin.

One of the difficulties is that the small number of developers leaves the potential for the development of vertical monopolies where land is developed, built on and sold through real estate agents who are linked financially.

The other day Jim Service said Canberra was at the crossroads. This is a bit of cliché, but it carries a lot of truth. We have a beautiful city, but some of its beauty and amenity is being lost by apathy. The threat comes from both sides: the quick-fix, short-term profiteers on one hand and the selfish pressure groups on the other. The people who live here must apply their brains and inquisitiveness so that Canberra can continue to be a wonderful place to live.

**Attachment 4:** Letter from Neil Savery, Chief Planning Executive, ACTPLA to Anne Skewes, CEO, Land Development Agency

'Thank you for the letter of 24 January 2007 regarding the direct grant application from Mr Bob Winnell for an affordable housing proposal in North Watson.

The ACT Planning and Land Authority (the Authority) does not oppose the proposal to change the Land Use Policy for the subject site from Entertainment, Accommodation and Leisure to Residential. The Authority has therefore initiated work on the preparation of an initial draft Variation to the Territory Plan; however, the proponent has been informed that the release of the draft Variation for public comment is subject to the direct grant application for part Block 2 Section 75 Watson receiving in principle agreement from Cabinet.

Nevertheless, if the direct grant of the additional land is to be contingent on the delivery of 'affordable housing' on the site, the sale arrangements will need to clearly identify how the affordable housing aspect of the proposal will be achieved. It will also be necessary to ensure that the arrangements deliver an appropriate quality of affordable housing and a mechanism may be required to monitor the ongoing provision of affordable housing on the site.

If the land is to be sold for less than its 'marriage' value for standard residential purposes, the requirements in relation to affordable housing will need to be clear, reasonable and enforceable. In particular, the arrangements would need to identify what sanctions would be applied if, after direct granting of the land, the proponent identifies that the provision of affordable housing is not profitable.

It is understood that the proposal involves the possible use of community title for the development. The approach raises the issue of potential high costs for ongoing maintenance of the communal areas and may be contrary to the purpose of such affordable housing provision. It is also likely to discourage community housing providers or ACT Housing from owning such properties.

It is also worth noting the difficulty in defining and setting the parameters on 'affordable housing' provision. This may impact on the price that the proponent would be willing to pay for the additional land and generate comparatively lower revenue.

Should you have further inquiries on this issue please contact Mr Garrick Calnan, Manager, Planning and Land Policy on 6207 2892'.

Yours sincerely  
Neil Savery  
Chief Planning Executive  
13 February 2007

Peter Martin (p.9, *Canberra Times*, Tuesday July 8 2008) in an article entitled '*Our monument to impotence*' remarks that 'Putting one over the ACT Government is easy. It has been for years. Ever since self-government'.

**Attachment 5:** *Clancy's Inn closes after lease dispute*, John-Paul Moloney, *Canberra Times*, 12 December 2007

Clancy's Colonial Inn at the Australian Heritage Village in Watson has closed after a dispute between the owners and the managers of the pub over the terms of a new lease. The managers of the pub for the past 10 years, Stuart Wiggins and Kevin Darmody, wanted to re-sign their lease for the next 10 years. But the group of investors which owns the Australian Heritage Village is considering redeveloping the site in the future and was not prepared to commit to another long-

term deal. Instead, the village owners offered a month-by-month lease, which Mr Wiggins and Mr Darmody rejected. Mr Wiggins said they weren't prepared to stay on without the certainty of a long lease. 'We couldn't secure a long enough lease so we decided to move on,' Mr Wiggins said. 'It takes your guts clean out of you not to be able to stay, but that's the way it is, unfortunately'. A spokesman for the owners said they were considering redeveloping the site and weren't able to offer Mr Wiggins a 10-year lease because 'it could handcuff us'. 'We're sorry to see them go, but we couldn't tie ourselves down to [a 10-year lease] if in three or four years we have to break the lease and pay them out.' He said the managers had been assured that if they signed a month-by-month lease they wouldn't be cancelled without proper notice. Mr Wiggins said this week that he'd received calls from people all over Australia who were sad to hear that the 'bush pub' had closed. He wanted to thank the pub's regular patrons, many of whom gathered for the final time last Friday, for their support over the past decade. 'It's a bit upsetting because people think we went broke, but everyone who really knows us knows that's not the case,' Mr Wiggins said. 'We've had a great 10 years and it's sad to go'. Memorabilia from Clancy's will be auctioned later this month.

[Endstory] [Story #40656]