

**2022**

**THE LEGISLATIVE ASSEMBLY FOR THE  
AUSTRALIAN CAPITAL TERRITORY**

**GUNGAHLIN CINEMA DEVELOPMENT – RESPONSE TO ASSEMBLY  
RESOLUTION 1 DECEMBER 2021**

**Presented by  
Mick Gentleman MLA  
Minister for Planning and Land Management  
24 March 2022**



## Introduction

The Government is committed to creating cohesive, liveable communities that combine well-designed built environments with economic prosperity and strong social connections and opportunities.

The Government's policies, including Draft Variation No 364 to the Territory Plan, continue to develop the Gungahlin Town Centre and expand entertainment options for the community.

The Government is committed to facilitating the delivery of the Gungahlin cinema for the Gungahlin community.

While the Government shares the community's disappointment that the site is not yet developed, the Government also understands that the developer is optimistic that with some normalised operating conditions, the development will proceed.

## Recommendations

No.	Recommendations
Recommendation 1	<i>Confirm its ongoing commitment to delivering a Cinema in Gungahlin</i>
Recommendation 2	<i>Meet with the developer of Gungahlin cinema, Krnc Group, within the next month to determine their capacity to secure finance, commence construction within the development approval deadlines and deliver a cinema complex for the residents of Gungahlin</i>
Recommendation 3	<i>Consider setting an end date for completion of works under the lease</i>
Recommendation 4	<i>Revise the guidelines for granting extensions on development applications to ensure greater certainty for the community on development timeframes</i>

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Recommendation 5

*Encourage retail, entertainment, and hospitality providers to commence or expand operations in Gungahlin*

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# Government Response to Assembly Resolution – Gungahlin Cinema Development

## **Recommendation 3 (a)**

*Confirm its ongoing commitment to delivering a Cinema in Gungahlin*

### Response

#### **AGREE**

The Government has facilitated the development of a cinema in Gungahlin in accordance with statutory planning processes.

The Government and the developer entered into a deed of agreement in October 2015 requiring the developer to construct the cinema.

The Government (the planning and land authority) has issued appropriate planning approvals for the design of the cinema, enabling the developer to commence construction.

## **Recommendation 3 (b)**

*Meet with the developer of Gungahlin cinema, Krnc Group, within the next month to determine their capacity to secure finance, commence construction within the development approval deadlines and deliver a cinema complex for the residents of Gungahlin*

### Response

#### **AGREED IN-PRINCIPLE**

Officials from the Environment, Planning and Sustainable Development Directorate (EPSDD) met with the developer's representatives (Krnc Group) on 17 November 2021 and received written advice confirming their intention to deliver the cinema.

The developer indicated that there have been project delays since receiving development approval in April 2020, due to the uncertain economic environment and COVID-19 related disruptions. The developer is now seeking to move forward with the project given the more normalised operating conditions expected into the future.

Representatives of both parties met again on 10 January 2022 confirming the developer's position.

The developer's financial position is not a statutory consideration for the Government when issuing planning approvals.

### **Recommendation 3 (c)**

*Consider setting an end date for completion of works under the lease*

#### **Response**

#### **AGREE**

A Crown lease was granted for the site on 28 February 2022.

The crown lease requires the developer to complete an approved development within 24 months of this date. This is shorter than most commercial leases which typically include a four-year completion timeframe. The lease requires the land to be used for the purpose of an indoor entertainment facility which must include a cinema with a minimum gross floor area of 3,000 square metres.

### **Recommendation 3 (d)**

*Revise the guidelines for granting extensions on development applications to ensure greater certainty for the community on development timeframes*

#### **Response**

#### **AGREE**

The Government will review the relevant statutory provisions for extensions of development approvals under the Planning System Review and Reform Project.

### **Recommendation 3 (e)**

*Encourage retail, entertainment, and hospitality providers to commence or expand operations in Gungahlin*

#### **Response**

#### **AGREED IN-PRINCIPLE**

The ACT Government's approach to encouraging business development is not specific to any particular town centre or industry, instead it focuses on creating the right environment for a range of businesses to thrive across the Territory.

The Territory is has developed a Gungahlin Town Centre Prospectus to attract Australian Public Service Investment into Gungahlin. An anchor tenant, such as an Australian Government Department or Departments, would support growth of the Town Centre's hospitality, retail and entertainment options. An anchor tenant such as this would likely generate further private sector investment into amenities and services.

Draft Variation to the Territory Plan 364 (DV364) is also an important component in continuing to develop the Gungahlin Town Centre and expand entertainment options for the community. DV364 incorporates the recommendations of the Gungahlin Town Centre Planning Refresh into the Territory Plan to provide guidance on the desired built form and character of the centre as it develops.