



Simon Corbell MLA

ATTORNEY GENERAL
MINISTER FOR POLICE AND EMERGENCY SERVICES
MINISTER FOR THE ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

MEMBER FOR MOLONGLO

Ms Mary Porter MLA
Chair
Standing Committee on Planning, Public Works
and Territory and Municipal Services
ACT Legislative Assembly
CANBERRA ACT 2601

Dear Ms Porter *Mary*

At the public hearing on 25 November 2011 in relation to Draft Variation to the Territory Plan No. 307 – Griffith, Section 42, Block 15 Change of Zoning, officers from the Environment and Sustainable Development Directorate undertook to provide you with the following additional information.

Concessional Status – Block 15 Section 42 Griffith – Summary

The planning and land authority determined that on 22 December 2010 the Crown lease over the above block is a concessional lease.

Block 15 (the current block) resulted from the consolidation of Blocks 3 and 4 Section 42 Griffith.

The Crown lease over Block 3 was a rental lease. The rent was assessed at 4% of the unimproved capital value of the lease. Commercial rent was 5% or above.

Block 4 originated from the consolidation of Block 2 and a small area of additional land. Rent for this lease was assessed at 1% of the unimproved value of the block which was a concessional rental rate. Block 4 was granted on 27 May 1983 as a nominal rent lease. However, the Club never paid the full market value for the lease. Therefore, Block 4 remained a concessional lease.

The Crown leases for Block 3 and 4 were consolidated in 1999 to create Block 15 Section 42 Griffith.

The lease contained a provision requiring the lessee to pay the site value of the area previously identified as Block 3 (being the rental portion of block 15). This was a requirement because a rental lease and a nominal rent lease cannot be consolidated. The amount was determined at \$80,000. On 7 August 2009, the Treasurer waived the land rent and additional accumulated interest to the Territory over that area formerly known as Block 3. The amount waived was \$147,259.13 which was the amount equal to the site value of Block 3 and the accumulated interest. For the purpose of determining the concessional status of a lease, the *Planning and Development Act 2007* provides that if a payment is waived by the Treasurer, the debt is considered to be paid.

ACT LEGISLATIVE ASSEMBLY

London Circuit, Canberra ACT 2601 GPO Box 1020, Canberra ACT 2601
Phone (02) 6205 0000 Fax (02) 6205 0535 Email corbell@act.gov.au

Therefore, as rent over Block 3 was waived, this portion of the lease over Block 15 was no longer concessional. However, as the Territory has not received the market value for that portion of Block 15 formerly known as Block 4, the lease over Block 15 is a partially concessional lease.

Multi-Unit Development Applications

According to the records of the planning and land authority, the total number of units approved over the past two years was 3,400.

I trust this information is of assistance.

Yours sincerely

A handwritten signature in black ink, appearing to be 'S. Corbell', written over a horizontal line.

Simon Corbell MLA
Minister for the Environment and Sustainable Development

13.12.11