LEGISLATIVE ASSEMBLY



FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON PLANNING, TRANSPORT AND CITY SERVICES Jo Clay MLA (Chair), Suzanne Orr MLA (Deputy), Mark Parton MLA Inquiry into Annual and Financial Reports 2020-2021

ANSWER TO QUESTION ON NOTICE 51

Elizabeth Kikkert MLA: To ask the Minister for Planning and Land Management

Ref: City Services, Budget Outlook, page number 206, output class 4.1 Development and Implementation

In relation to: "Better community infrastructure – Better Local shops" for Kippax Group Centre on page 206, Kippax Expansion handover to the Suburban Land Agency (SLA) and sales process.

A letter from the Minister's office to a stakeholder in August 2020, about release of the land to support the retail expansion of Kippax Group Centre stated that following an Expression of Interest (EOI) it was expected a Request for Tender (RFT) would be issued in 2021 as part of a two-stage sale process.

The Expression of Interest (EOI) documentation outlines the two-stage process with the second stage commencing early 2022.

EPSDD has indicated that the expansion project will be handed over to the SLA to prepare the land sale documentation for release to the market by mid-2022.

- 1. Has a RFT been issued?
 - a. If so, when was it issued and who was it issued to?
 - b. If not, is the RFT going to be issued in 2021 as stated in an EPSDD letter in August 2020?
 - i. If so, when will it be issued?
 - ii. If not, why is it not going to be issued in 2021?
- 2. When will the expansion project be handed over to the SLA?
 - a. Why is it being handed over to the SLA when the SLA had it in their hands within the last 24 months?
- 3. Can a general description be provided of what steps the SLA will take next to further the Kippax Expansion project once it is in their hands?
 - a. Is the handover of this project to SLA being considered as the beginning of stage two of the sales process?
- 4. Is there any reason why the SLA cannot enter into direct negotiations with a single compliant respondent from the EOI process just undertaken?

5. Will the sale of the land be an auction open to all compliant tenderers or direct sale once the preferred tenderer is identified?

Minister Mick Gentleman MLA: The answer to the Member's question is as follows:-

- The Request for Tender (RFT) has not been issued for Block 71, Section 51 Holt (the site) at this time. Environmental site investigations, necessary for the RFT process, are being finalised. These investigations and approvals provide certainty to prospective tenderers and also are consistent with due diligence undertaken by the Territory before land is released. It is anticipated investigations will be completed in mid-2022.
- 2. The site will be handed to the SLA to undertake the RFT process following the completion of the environmental investigations. The land does not currently sit with the SLA.
- 3. SLA will prepare RFT documents for release to the market once the project is handed over from EPSDD.
 - a. No, release to the market date is the commencement date of the RFT process.
- 4. The SLA considers a range of factors before engaging in a sale process, and the sale process used is site specific. The SLA will consider the information gathered by EPSDD in determining how to proceed on this site in the future. The EOI process is also not a sales mechanism under legislation, however a subsequent RFT does meet the legislative requirements for a sale. Where land has been identified for a 'direct sale' this process is managed separately by EPSDD.
- 5. SLA will release the land to the market via a tender. The successful tenderer will enter into a contract for sale.

 Approved for circulation to the Standing Committee on Planning, Transport and City Services

 Signature:
 Date: 2/5/2022

 By the Minister for Planning and Land Management, Mick Gentleman MLA