

319/16 10.2 - REQUEST FROM CMCA FOR AGREEMENT TO LEASE LAND SUBJECT TO A SUCCESSFUL DEVELOPMENT APPLICATION

REPORT AUTHOR: Manager Community Development – Mrs Anne Cameron

REPORT DATE: 13th December 2016

FILE NO: 13.7, 28.5

ATTACHMENT: Site Plan – 92-96 Main Road, George Town

SUMMARY

Council has been asked to give consideration to approving a lease to the CMCA for 62-96 Main Rd George Town, subject to a Development Application being successful. CMCA representatives are currently preparing a Development Application for the site.

BACKGROUND

At a workshop on 6th April 2016, Councillors received a presentation from CMCA executive officers about CMCA members only RV parks, and were informed of a request to develop a similar project in George Town.

Councillors have since been provided with informal updates on the project at workshops as it has developed. Alternate sites were proposed and assessed and possible capital works costed. CMCA officers have now confirmed that 1 ha of land adjacent to the Visitor Information Centre on Main Road George Town best meets their requirements.

CMCA wishes to establish a low cost, private park for members of CMCA who travel in qualifying recreation vehicles, that is, vehicles that are fully self-contained. The CMCA is aiming to set up a network of similar facilities across Australia. The parks will be managed by members of the CMCA on a voluntary basis. Volunteer custodians are appointed and trained by the CMCA.

One park is already operating at Ingham in Queensland, and several others are currently being developed. Park facilities will include a dump point, one serviced hard stand area for a park custodian vehicle, perimeter fencing, a shelter/bbq area and access to potable water. Members will be allowed to stay in the parks for a maximum of five consecutive nights in every 21 nights. All maintenance of the park will be undertaken by CMCA members.

The CMCA previously provided information demonstrating the economic benefit of a member RV park to communities, as well as the volunteer contribution CMCA members make as they travel around Australia. Figures provided by the CMCA collated from data at the Ingham RV Park indicate that the average spend in the local community per adult per week is between \$90 and \$120.

CMCA is now preparing a development application for an area of Council owned land adjacent to the Visitor Information Centre on Main Road George Town. The use as a CMCA park would be classified as discretionary under George Town's Interim Planning Scheme.

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The CMCA has confirmed that it would like to lease this area of land from Council for this purpose.

LEGISLATION

Local Government Act 1993 s177

The Local Government Act 1993 s177 requires a decision to sell, lease, donate, exchange or otherwise dispose of any land, other than public land, to be made by absolute majority.

STRATEGIC PLAN

Goal 04

Strengthen the vibrancy of our towns and enhance the benefits of living in a rural setting and living close to the river and coast.

Key Objectives

To identify and respond to changing needs for infrastructure and facilities

Key Priorities

Identify key development sites around the George Town municipality to facilitate investment

RISK CONSIDERATIONS

Risks:

1. Community concern about amenity of an RV park in that location.

Risk management action: CMCA executive officers will discuss the plans and implications of the development with residents in the vicinity once the DA has been advertised. Residents will have an opportunity to respond to the Development Application as part of the DA approval process.

2. Concern from local tourism industry operators that the proposal may impact their revenue.

Risk management action: CMCA executive officers may discuss the plans with operators whose market may appear to be similar, to clarify the details of the project and resolve possible misunderstandings.

FINANCIAL IMPLICATIONS

No capital works are required to be undertaken by Council to make the site ready for lease to the CMCA.

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The site will need to be declared free of contamination by the Environment Protection Authority Tasmania before a development application can be lodged. Council will need to have a report prepared for the EPA because the site was once the Council Works Depot.

Council will receive a small revenue stream from both rental, and rates charged against property.

As the land owner, it is anticipated that there will be usual administrative costs associated with landlord – tenant contracts on an ongoing basis for the life of the lease.

OFFICER'S COMMENTS

The request for agreement to lease subject to a successful development application is a reasonable request.

The development application will require the CMCA to commit significant funds to reports, plans and other documentation. Expenditure without some comfort around future secure tenure would constitute a high risk for the member benefit organisation.

The terms of the lease including duration and rental would be negotiated only if the CMCA Development Application is successful and the CMCA confirms their intention to proceed with the project.

A lease agreement between Council and the CMCA will include terms relating to:

- Length of term – the CMCA have indicated that they would like a five plus five term, as this will give them the security of tenure required to justify capital investment in fencing, services including dump point, hard stand and bbq area.
- Rental – the CMCA are a not for profit organisation and have requested an annual rental that reflects this. It is anticipated that this will be around \$4000 pa.
- Payment of outgoings – all outgoings including rates will be paid by the CMCA.
- Site maintenance including fencing, vegetation, buffer zones.
- Vehicle self containment.
- Park conduct including length of stay, pet management, generator use.

OFFICER'S RECOMMENDATION

It is recommended that Council agree to lease 1 hectare of land, specified in the attached site plan, at 92-96 Main Rd George Town, to the CMCA, subject to a development application from the CMCA being successful.

318/16 10.2 - REQUEST FROM CMCA FOR AGREEMENT TO LEASE LAND SUBJECT TO A SUCCESSFUL DEVELOPMENT APPLICATION (CONT.)

DECISION

Moved: Cr Harris

Seconded: Cr Burt

It is recommended that Council agree to lease 1 hectare of land, specified in the attached site plan, at 92-96 Main Rd George Town, to the CMCA, subject to a development application from the CMCA being successful.

	For	Against		For	Against
Cr Archer	✓		Cr Dawson	✓	
Cr Harris	✓		Cr Glisson		✓
Cr Ashley	✓		Cr Parish	✓	
Cr Barwick		✓	Cr Parkes	✓	
Cr Burt	✓				

CARRIED