adminkew

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Subject: Fw: Media Release from Kew Cottages Coalition

KEW COTTAGES COALITION MEDIA RELEASE.

Date: Monday 6th June 2005

GARBUTT GAMBLES TAXPAYERS' MONEY ON HERITAGE HEIST

On Friday 3rd June Community Services Minister Sherryl Garbutt unveiled redevelopment plans for Kew Cottages.

At face value, however those plans appear to be illegal. They simply do not comply with the State's current Heritage Listing (H2073) for Kew Cottages, and the Minister knows that.

The Minister hopes to be able to have the Heritage listing changed, but at the moment she is stuck, and as she said on ABC TV News on Friday night "we will keep our fingers crossed".

So how did the Bracks Government get into this mess?

In the same week that Victoria lost the \$6 billion contract to build the navy's new destroyers why did the State Government suddenly try pulling another struggling contract out of a hat by claiming it "estimated" the Government will receive \$80 million from selling Kew Cottages to Walker Corporation - the Sydney based developer run by billionaire property tycoon and yachtsman Lang Walker?

Didn't the State Government recognise the high level of risk involved?

Didn't they know, for example, that Walker Corporation had ironically claimed exactly that same amount - \$80 million - from the NSW Government last year, when a Sydney Harbour property deal fell through? And didn't the Victorian Government know that as a result, the Sydney Harbour Foreshore Authority and NSW taxpayers are now \$60 million out of pocket?

It is hard to believe the Victorian Minister for Community Services could be so naive. The full story, "Tycoon scores \$60m on land he never owned." was reported in the Sydney Morning Herald on 12th July 2004.

So what is the alternative explanation for Garbutt's gamble?

Is the The Age perhaps correct in its exclusive story on p.2 last Friday when it said," The State heritage watchdog will today come under intense pressure to allow demolition of historic buildings at Kew Cottages as the Government unveils a contentious development scheme for the site."

Surely not, for if that were the case then the State Government would be laying itself wide open to accusations of trying to negotiate Heritage issues through the barrel of a gun, of stand over tactics with its own Heritage Council, of plundering Victoria's heritage merely to compensate a Sydney tycoon for his lost profits.

The Kew Cottages Coalition first nominated the Cottages for Heritage listing eighteen months ago - in January 2004. Heritage Victoria then spent a considerable period of time carefully examining all the issues involved with the Cottages' nomination. They received further detailed nominations and numerous public submissions, including an objection from the Department of Human Services (DHS). Finally, in November 2004, after full deliberation the Heritage Council itself made the decision to add all 27 hectares of Kew Cottages to the Victorian Heritage Register.

So the Government had had plenty of time to try and get all of the necessary permits in place, and to get all of its redevelopment plans legally in order before making Friday's public announcement. Yet it still failed to do so.

Perhaps then, that failure was simply a case of incompetence.

Whatever the reason for her surprising gamble, the Minister for Community Services now has some hard questions to answer about the redevelopment plans she unveiled last Friday. For example:

- 1. Is it true that the Government has in fact still not sold the Cottages?
- 2. Is it true that the redevelopment plans unveiled by the Minister even fail to undertake to comply with current Heritage Listing as required ?
- 3. What is the full extent of the Government's commercial exposure in the event of the proposed sale to Walker Corporation not proceeding?
- 4. Is it true the proposed secret profit sharing arrangement referred to in her 3rd June Media Release will in fact not be independently assessed until sometime AFTER the Cottages have been demolished, and AFTER much of the concrete of the proposed new development has already been poured?
- 5. Why had Walker Corporation failed to apply for the necessary permits from Heritage Victoria before submitting their Development Plan?
- 6. Why had the Government itself delayed ensuring applications for all the necessary permits had been made?
- 7. Who now wears the commercial loss if Heritage Victoria does not accept DHS's delayed application for Demolition Permits:
 - λ Taxpayers?
 - λ Victoria's Intellectually Disabled?
 - λ Walker Corporation ?
- 8. Will the Minister resign if the proposed sale to Walker Corporation does not proceed as planned?

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