



FRIENDS OF MERRI CREEK

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Incorporated Association No. A0024645L

Wednesday 22nd August 2007

The Chair
Parliamentary Select Committee for Public Land Development
Parliament House, Spring St
Melbourne 3000.



LEGISLATIVE COUNCIL
Select Committee on Public Land Development

Submission No: 15

Received on: 28 August 2007

Dear Chair,

Re: Disposal by VicRoads of parkland in Fawkner and North Coburg

We wish to bring your attention to a number of parcels of land that VicRoads wants to sell in the City of Moreland: smaller sites in Fawkner north of Hare St and east of Queens Pde; plus larger sites near Golf Rd North Coburg. All these sites are contiguous with Moreland City Council parkland, and the two sites near Golf Rd North Coburg have been planted and maintained by Council as public open space for many years. They form an important part of the local and regional open space network, being part of the Merri and Edgars Creeks open space corridors. State, regional and local planning strategies support their retention as public open space.

This part of Melbourne is poorly provided with public open space, and residents of Moreland have been paying a parks contribution via their Melbourne Water rates for many years with no return to the district.

It is not right nor in the public interest that Moreland City Council should have to pay VicRoads the full market value of the land (some \$11 million for the North Coburg land) in order to secure it as public open space, or else it will be put on the open market and sold for development.

We have been told by local MPs that it is a legal requirement for VicRoads to sell the land at market value. However, the Government Land Monitor has advised that this is Government policy only and there is no law underpinning this requirement. **In this situation with land that is required for another public purpose, this policy is inequitable and inappropriate. We ask the Committee to recommend that, in cases such as these, this policy be revised to allow a transfer to another public agency or municipal council without payment of full market value.** (This would be similar to what was done for the VicRoads land that was transferred to Parks Victoria for the new Merri Creek Park, proposed for north of the Western Ring Rd).

We support the principles of accountability and integrity and transparency in government land transactions (as stated in the Government's *Policy and instructions for the purchase, compulsory acquisition and sale of land*, 2000). We also strongly agree that transactions should be 'in the public interest'. So why should the public pay twice for land required for a public purpose? Why should a State agency enjoy windfall profits from the increase in land values, at the expense of a local government authority? This smacks of the Kennett era's economic-rationalism-at-all-costs. Why not provide for the State agency (VicRoads in this case) to be reimbursed for the original purchase price plus a fair allowance for costs incurred over the period of ownership, including interest on the purchase? Alternatively, why not allow the land to be leased to Council for a peppercorn rental over 99 years?

The Friends strongly encourage you to ensure that the policy is revised and to pursue the options suggested above in order to resolve this situation in an equitable manner that is in the best interests of the Victorian community.

Yours sincerely,

Ray Radford,
Secretary