

## What will happen if the Club goes broke?

Federal Golf Club and its Sydney developer MBark have done a great job getting people to believe financial ruin is just around the corner and that the threat of getting a suburb in place of the golf course is imminent.

This is a complete furphy. Here are five reasons why...

### 1. The Club's Constitution doesn't permit disposal of the club for a suburb.

In the event that Federal Golf Club became insolvent, Clause 11 of the Club's Constitution requires that the entire course be handed over to another non-profit organisation, chosen by the members, to continue to operate as a golf course (or some similar purpose) or some charitable object, which clearly precludes commercial property development. Here's the extract from the FGC Constitution.

#### Winding Up

9. The liability of the members of the Club is limited.
10. Each member of the Club undertakes to contribute to the assets of the Club in the event of the same being wound up during the time that he or she is a member, or within one year thereafter for payment of the debts and liabilities of the Club contracted before the time at which he or she ceases to be a member and of the costs, charges and expenses of winding up the Club, and for the adjustment of the rights of the contributories among themselves, such amount as may be required, not exceeding \$2.
11. If upon the winding up or dissolution of the Club there remains after the satisfaction of all its debts and liabilities any property whatsoever the same must not be paid to or distributed among the members of the Club but must be given up or transferred to some other institution or institutions that is or are carried on predominantly for the encouragement of a game or sport and which has or have objects similar to the objects of the Club and which prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Club under or by virtue of this Constitution hereof; such institution or institutions to be determined by the members of the Club at or before the time of dissolution or in default thereof by such Judge of the Supreme Court as may have or acquire jurisdiction in the matter, and if and so far as effect cannot be given to the aforesaid provision, then to some charitable object.

**2. The current land zoning does not permit residential development.**

The land is currently zoned PRZ2: RESTRICTED ACCESS RECREATION ZONE and NUZ3: HILLS, RIDGES AND BUFFER AREAS, and the current purpose in the Crown Lease is for golf only as the extract below shows.

4. THE LESSEE FURTHER COVENANTS WITH THE COMMONWEALTH as follows:	
PURPOSE	(a) To use the premises only for the purpose of a Golf Club and for any purposes incidental thereto;
	(b) To permit persons other than Club members to play on the golf course constructed on the said land upon payment of green fees prescribed by the Club at all such times as the course is not required by the Club for: (i) major championships or tournaments; (ii) club competition; (iii) course maintenance or repair; or (iv) such other purpose as the Minister may <sup>from</sup> <del>from</del> time determine;
PEDESTRIAN ACCESS	(c) Except upon days from time to time agreed between the Commonwealth and the Lessee, to permit free pedestrian passage by the public upon the land except those parts developed by the Club which are likely to be damaged or adversely affected by such public passage;

### 3. The proposed future land use is only for “retirement village” in a Community Facility Zone (CFZ) not “single dwelling” or “multi-unit housing” in a Residential Zone (RZ1-RZ5)

The Territory Plan Policy Outcomes of Community Facility Zones (CFZ) state that they should “facilitate social sustainability and inclusion through providing accessible sites for key government and non-government facilities and services for individuals, families and communities” whereas the Policy Outcomes for Residential Zones (RZ1-RZ5) state they are “primarily for residential developments”.

Even if a lease variation is approved to add the use of a retirement village to the Golf Club’s Crown Lease Purpose Clause and the development site is rezoned from a Restricted Access Recreation Zone (PRZ2) to a Community Facility Zone (CFZ), CFZ zoning restricts the type of housing to community uses, as the extract below from the Territory Plan Community Facility Zone Policy clearly shows. Moreover, uses not listed in this table are **prohibited**. Development types such as ‘single dwelling housing’ and ‘multi-unit housing’ which are permitted in Residential Zones (RZ1-RZ5) are prohibited on the Golf Club because they are not permitted uses under current or proposed zoning.

## 2. Land Use Table

The following table identifies permissible land uses and development types in community facility zone.

The uses listed require development approval unless they meet the ‘exempt development’ definition of the *Planning Act 2023*. Development and land use types listed are defined in the Territory Plan Dictionary.

Uses not listed in the table are prohibited. Development of prohibited uses may be considered under certain limited circumstances as outlined under Part 7.3 of the *Planning Act 2023*.

District policies specify additional types of development and land uses that are permissible or prohibited in specific locations.

Land Use / Development Type
ancillary use
business agency
community activity centre
community housing
community theatre
complementary use
consolidation
cultural facility
demolition
early childhood education and care
educational establishment
emergency services facility
health facility
hospital
indoor recreation facility
minor road
minor use
office
outdoor recreation facility
parkland
place of worship
public agency
religious associated use
residential care accommodation
retirement village

#### **4. The bushfire risk is too high.**

A significant portion of the Golf Club land lies within a bushfire prone area. The [ACT Strategic Bushfire Management Plan](#) includes asset protection zones and limits development potential and intensification on blocks within bush fire prone areas. Given bushfire risk was one of the main reasons the retirement village site was moved to the southern part of the course in the Red Hill Integrated Plan, it would be highly unlikely the Government would contemplate residential development in the area it rejected for the retirement village.

#### **5. The ACT Government has no plans for Federal Golf Club land**

The ACT Government has never stated or even implied it would build or allow anyone else to build a suburb where the golf course is, in the unlikely event that Federal goes broke. There is no evidence to support this assertion.

In fact, the Government has acknowledged the high ecological value of part of the golf course through the 2023 re-zoning of 12 hectares of the club land to NUZ3: Hills, Ridges and Buffer Areas.

The truth is the surest way to wind up with more development is by not opposing the retirement village. Not only will this guarantee a suburb of 125 dwellings: it also paves the way for future expansion of the village, because when the Club runs out of money again, it will simply flog off more land, as has happened at Yowani.