

MEDIA RELEASE

Profound regret and great disappointment

Apartments to go ahead on Glenelg foreshore

Following a joint announcement by the Holdfast Shores joint venture partners and the City of Holdfast Bay with regard to the controversial Stage 2B development, Holdfast Bay Deputy Mayor Rod Edwards expressed the Council's profound regret and great disappointment that an apartment complex is to be constructed on the foreshore.

"The Rann Government made this decision, not Council. It ignored 14000 petitioners and lined up with the developers. So, despite all Council's and the community's hard work, we acknowledge with great regret that the Platinum apartment complex will be constructed on our foreshore at Glenelg," said Deputy Mayor Edwards.

Deputy Mayor Edwards said that the Holdfast Bay Council sought legal advice, especially in the face of the threat of action against individual elected members and individual Council staff under the Trade Practices Act.

"This threat did not persuade Council but ultimately, three things were clear," he said.

"Firstly, the Infrastructure Agreement of 1997, signed over five years before this particular Council took office, legally obliged us to negotiate with the Consortium 'in good faith' to achieve broad objectives agreed to in 1997.

"Secondly, the Rann Government had already approved the construction of the apartment complex on land not controlled by the Council. We could only negotiate with regard to Magic Mountain which is on adjacent land.

"Thirdly, if Council took the matter to trial, success could not be guaranteed. Council's estimated legal costs exceeded \$500,000 and we believed this to be conservative. There was also the potential liability for the other side's costs and compensation for any losses incurred because of the delay," said Deputy Mayor Edwards.

Mr Edwards said that the majority of Councillors decided it would have been grossly irresponsible to expose residents, ratepayers and the city to the risk of an unfunded liability of, potentially, millions of dollars.

"In the event of a loss, this would have presented a serious financial burden and an obstacle to progress in Holdfast Bay for years and years to come," he said.

"Notwithstanding our disappointment, Council negotiated significant benefits for the community, including significant cash contributions to Council amounting to \$1,225,000 and commitments by the consortium to provide infrastructure at its cost", concluded Mr Edwards.

Deputy Mayor Edwards thanked all Councillors and Council staff, the legal team, the community campaigners and all those who supported and helped the Council in its campaign.

For interviews with Deputy Mayor Edwards, ring Margaret Gregory 8229 9934, mobile 0400 143 912.

Text of Deputy Mayor's press conference and background briefing paper available at
<http://www.holdfast.sa.gov.au>