



Re:imagine Peoples Panel Meeting Minutes

Meeting Four: 16 June 2018, 8:30am – 11:00am

Gold Creek Country Club

Attendees

Alec Campbell
Amanda Kiley
Anne Emms
Liz Jaques
Chris Thomas
David George
David Thorne
Ed Killesteyn
Helen Wilks

Jeffrey Harmer
John Baker
Kent Donally
Lisa Thorburn
Mark De Bortoli
Mark Pickering
Mark Wilkins
Tim Napper

Apologies

Amanda Whitley (Chair)
Allycia Knox
Brett Adam
Damian Tunney
Joanne Brown
John Miller

Karen Reid
Rhonda Daniell
Ross Stevens
Sandra Elliot
Tara Nichols

Helen Leayr (The Communication Link)
April McFadden (Secretariat)

Papers distributed prior to meeting

- Agenda meeting #4
- Meeting Minutes #3

1. Welcome

Ms Leayr welcomed the members of the Peoples Panel to the meeting, and advised the group that The Chair, Amanda Whitley, was an apology due to illness.

Panel apologies were noted.

2. Review of Draft Minutes from Meeting Three

Discussion on the minutes of the third meeting were deferred and People Panel Members were asked to email in comments/edits on the draft to allow the minutes to be finalised.

Alec Campbell noted that he was present at the last meeting (although had been marked as an apology) and Helen Wilkes advised she was not present at that meeting.

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3. Process for the day

Ms Helen Leayr proposed a process for the meeting which included the presentation by Mr Konstantinou followed by an opportunity for each Panel member to ask questions. The Panel were in agreement.

4. Presentation: Mr Harry Konstantinou, KGroup

Mr Konstantinou worked through the presentation, answering the questions that had been workshopped by the People's Panel in Meeting Two.

This presentation containing both the Panel's questions and the KGroup's responses can be found online [here](http://www.reimagine.com.au) (www.reimagine.com.au) .

Additional information was provided for some questions by Mr Konstantinou and is recorded below:

PP Q6. The money made by the selling of the commercial properties was put towards the half million dollar loss sustained by the golf course each year.

PP Q7. The Gold Creek Country Club owns the land under the road (for access between holes) that joins the two parts of the golf course. The government owns the land above this access point.

PP Q8. Current budgeting would help the Country Club to break even, it will not provide enough income for further capital improvements. If drought or other unforeseen events happen these will impact the budget.

PP Q11. The GCCC was sold at market value at a time when no houses in the area were selling for \$1 million. KGroup tendered for the purchase and won. KGroup has not recouped the cost of the purchase, and are about \$10 million down.

PP Q12. Sale of the commercial properties is unrelated to the losses by the golf course.

PP Q 18. Getting funding from financial institutions to buy a golf course is difficult so anyone wanting to purchase would need to have the funding available.

PP Q20. The KGroup determined that a shorter course was the way to move ahead.

CNRG Q9. KGroup is likely to renew its contract with Troon. Losses from the GCCC have been reduced by \$80,000 - \$100,000 since Troon came on board.

PP Q22. KGroup believes that the land at GCCC is so big that most stakeholders needs can be met. They recognise that residents want to keep their views and the community wants

open space so they can all have access to the land (not just the golfers) and these can be accommodated.

PP Q26. KGroup believe they are about 5 years away from the golf course being self-sustainable.

PP Q27. It is estimated that golf fees would need to triple to currently cover the costs of the golf course.

CNRG Q1. All people and community members who have opinion will be heard.

Operationally the golf course can be shrunk without consultation. The KGroup is consulting on is what they should do with any surplus land.

There have been 27 years of losses by the golf club (15 when owned by the government and 12 when owned by the KGroup). The KGroup believe it is time for change – the golf club is not sustainable.

The KGroup believe there are options for using the land that would not impact the look, feel and character of Nicholls.

The KGroup would look at applying for a variation to the Territory Plan at the end of stage three of the project process, after stages one and two are completed. There is no set time frame allocated to this.

CNRG Q12. One option suggested by Mr Konstantinou would be to reconfigure the golf course with 12 holes on what is currently the front nine and 6 holes on what is currently the back nine and a new clubhouse near the first tee. People would turn left off Curran Drive (instead of right) to the clubhouse. This would allow close neighbours to keep their views, keeps the golfers happy, including allow more options for a short course of 12 holes, and offers open space for all residents.

5. Post presentation questions

After the presentation by Mr Konstantinou, the Panel members were each given the opportunity to ask an additional question. These questions, and Mr Konstantinou's answers were as follows:

Q1. Of the 15,000 m2 development rights, how many m2 do you have left in commercial development? Have you separated the legal entities of the commercial property and the golf course?

A. These have always been separated. KGroup owns the food and beverage operation and the pro shop. There is still 2000 m2 available to be developed in the commercial area (where the current gym, restaurant, childcare etc is). The only space left is the area between



Trevinos and the pro shop, the tennis courts, and the practice holes. The golf course has 8,000 m2 of unused development rights.

Q2. Have you any data supporting moving to a short course? How can you test this before making major changes to the golf course? Have you lost market share?

A. We looked at overseas and national markets and information provided by professional golfers. This decision is not revolutionary, it is moving with the trends in golf. The GCCC is not sustainable in its current format. Golf Australia also has data on its website. The GCCC has not lost any golfers due to the condition of the course.

Q3. How do you see the re:imagine project helping keep the golf course sustainable if it is a long term project with no immediate income?

A. By cutting costs and increasing revenue long term.

Q4. What is your end goal – is it to have all the changes made in the next 5-7 years?

A. This is a longer term – about 10-15 years before we are all finished.

Q5. I bought my house here about 14 years ago and looked at the water costs, did you?

A. Yes, but the government had not paid excess water when they owned it. In our first year there was a drought so we paid excess water bills.

Q6. The George Harcourt Inn in Gold Creek is doing well. How can you improve your food and beverage at GCCC – would you ask them for advice?

A. 40% of our revenue comes from Trevinos. It currently turns over about \$1 million per year. It would need to increase by another \$1.5 million to make the Golf Course profitable – this is not possible. Troon is looking at how to improve Trevinos and a new menu.

Q7. CNRG group and KGroup perspectives are different. CRNG group see the golf course as integrated with the ancillary businesses (such as the pool, gym, childcare facility etc) and think that selling off the commercial space has contributed to the golf club losses.

A. Even if the KGroup kept the commercial premises the rent would still not cover the losses by the golf course.

Q8. The people on the west side of the golf club are just as interested in retaining their views as those on the east side. Residents on one side of the course, especially those living on or close to the golf course, should not be traded off against those on the other side.

A. The KGroup is not looking at taking away views, the site is so unique that development can take place in pockets without impeding views.

Q9. Can you look at the potential market for golfers? The population can sustain the golf course.

A. 15% of the Australian population go to the gym. Penetration of golfers is less than 1%. This was greater when KGroup bought the GCCC.

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*Ms Leayr added: So what was your motivation for purchasing the golf club when you knew it was losing money?

A. We thought we could do better.

Q10. I want information so that rumours can be dispelled. Our (CRNG) question (11) may have sounded rude to you but we only ask it so that we can dispel the rumours that currently exist.

A. A Google search could have answered that question, that the funds had been paid.

Q11. I am happy to work with you on this project. How can we suggest options if you cannot find commercial operators, such as in the motel? Where do we go from here? If you cannot find a commercial operator for a motel, why not run it yourself?

A. We would need a commercial operator to make it work.

Q12. How do you see residential accommodation fitting into the plan?

A. It could be eco villages, integrated with commercial, low-rise (not high-rise), in locations where they can't be seen from current residences. There would be clear paths to access the golf course and Gold Creek businesses.

Q13. Would you need to focus on residential as commercial ideas have had not much support so far?

A. We could consider aged care, also a combination of open space, amphitheatres, parks etc.

Q14. When did you expect to return to profit when you bought GCCC? What made you think this?

A. In about three years from purchase. We own a membership type business and thought we could get cross-membership with the gyms.

Q15. Apart from re:imagining Gold Creek and bringing in Troon, what other initiatives are you doing right now to reduce your losses?

A. Social golf fees. Food, beverage and retail. Rebranding the restaurant. Increasing community support for the restaurant as they spend more than the golfers in the restaurant. Bring the pro-shop over to the first tee so there is a better experience on arrival. We'd like to do these before next spring.

Q16. Would the re-zoning and a DA be for the whole area? What would it look like? What's to stop you developing further later?

A. A Territory Plan change would not mean development rights for the whole area, it would still be limited by the Lease, as the current Lease has limitations on development areas. As we stated in our presentation, we are happy to explore the option of handing the course back to the Golf Club ensuring it would not be developed in the future.

Q17. Where would the six holes be on this (eastern) side?

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A. The holes adjoining the existing residences.

Q18. We were told that you would be building three storey building from the 12th hole up, is this true?

A. No. We will use the land where views are not affected or been seen. We will offer options for the Panel and community to consider and will listen to feedback.

Q19. I am not hearing advertising or marketing for the GCCC. This creates the perception of no interest in marketing, but I now do believe you are interested.

A. We have used both TV and radio advertising.

Q20. Have you thought about re-numbering the course so you can try the concept of a 6/9/12 holes before changing the whole course?

A. Socials are already playing 9 holes. We could charge per the number of holes played.

*Ms Leayr asked if 6/12 hole comps could be tested.

A. Yes. Yet we believe that this is the way to go.

Q21. Would you be prepared to have a community board/committee to help with decision making for the golf course? For example the flashing sign out the front does not fit with the GCCC and community feedback would probably suggest different means of promotion.

A. Happy to consider this.

Q22. How many members will it take to break even? What can we do to help?

A. Current revenue is 50/50 restaurant/golf club. We are working on improving the whole golfing experience.

Q23. There are currently land buffers in place for safety. How can you refigure the golf course and retain the safety (from stray golf balls near homes)?

A. Golf architects would work with the KGroup to design any changes to the course and a large part of this would be to ensure safety. It would be a long and detailed process.

Further comments were contributed by the Panel:

- All my questions have been answered. Gungahlin is the second fastest growing area. The CSIRO land is likely to be developed into residential which will be good for the golf course. You should increase marketing of the GCCC.
- The Peoples Panel needs to produce something from its work to date to give to the KGroup to consider.
- Members of the People Panel collectively thanked Mr Konstantinou for the provision of this information.

6. Confirm actions and next steps

- Ms Leayr asked if the CNRG group would like to respond to the presentation or needed any further information. Representing CNRG, Mr Ed Killesteyn said that he did not believe the group required further information at this stage.
- Ms Leayr consulted with the Panel and confirmed that the next Peoples Panel meeting would be held on Saturday 30 June.
- The purpose of the next meeting will be to review the consultation feedback from Phase 1 of the re:imagine Gold Creek Country Club project which will be presented by The Communication Link, and to develop a brief report from the People's Panel.

7. Draft Communique

- Ms Leayr confirmed the communique would be available the following day (17 June).

8. Meeting Close

Ms Leayr closed the meeting at 11:10am.