



Mt Buller Mt Stirling

Resort Management.

COMMUNITY FORUM

Leasing Presentation

1 July 2012



Lease Renewals



All leasing in all Victorian Alpine Resorts is administered in accordance with the:

“Alpine Resorts Leasing Policy 2002”

a Government document designed to provide a consistent and transparent framework for the Leasing of Crown Land.

Policies and procedures are developed in accordance with the intent of this overarching policy.

The policy provides for existing lessees to be offered the first right to negotiate a new lease.

Lease Renewals



All applications for new leases are assessed on a case by case basis against the following criteria:

- Public Benefit
 - Public facilities (eg Food & Beverage, retail, entertainment/activities, toilets, shelter)
 - Public access (eg “hot beds”)
 - Open year round
- Estimated life and maintenance requirements
 - Generally assessed as part of a Building Standards and Fire Safety report provided by a Registered Building Surveyor
- Condition and statutory compliance
 - Assessed as part of a Building Standards and Fire Safety report provided by a Registered Building Surveyor

Lease Renewals



- Environmental and aesthetic quality
 - Native vegetation – preservation and/or propagation
 - Materials & colours
 - Energy efficiency
- Existing/Proposed Use
- Strategically Identified Site Potential (“SISP”)
 - Maximum level of development able to be erected on a site in accordance with the planning scheme
- Value of development proposal (if any)
- Past performance of the lessee

Lease Renewals



“Business Plan” - the following information and documents are required:

1. Certificate of Incorporation
 - Must be current
2. Memorandum and Articles of Association of the Company or Adopted Rules in the case of a Co-operative or Incorporated Association
3. Full particulars of principals, directors, shareholders, and office bearers, together with a list of their addresses
4. Declaration by Directors as to any interests they or any associated company hold in alpine property

Lease Renewals



5. Details of the capital structure of the company and copies of the financial reports for the past 3 years
6. Public Liability Insurance Policy together with a copy of the Certificate of Currency, naming the Mt Buller & Mt Stirling Alpine Resort Management Board as co-insured (or interested party) and confirming coverage of a minimum amount of \$10 million, with premium paid receipt for the current year
 - Must have correct details
 - Must be current

Lease Renewals



7. (For existing buildings) A Building Standards and Fire Safety report provided by a Registered Building Surveyor following an inspection of the premises
 - Must assess building condition and regulatory compliance
 - Must identify, recommend and prioritise any works to be undertaken
 - Confirmation as to the completion of all high priority works and those required to achieve regulatory compliance as identified in the Report, is required before a new lease will be granted
 - If requested, the report can be provided by the Board's Municipal Building Surveyor at the applicant's expense.

Lease Renewals



8. All new Standard Alpine Leases are subject to payment of “market rent” for the site. Accordingly a valuation to determine the current market rent and the current asset value valuation is provided by the Office of the Valuer-General at the Board’s request.

Lease Renewals



9. Any new lease issued within the Resort must include an Original Plan (“OP”) of the site survey.
 - Land Victoria can provide an OP for many (but not all) sites.
 - If no OP is available, a Site Plan (including OP) prepared by a licensed surveyor to Land Victoria requirements at the applicant’s expense is required for inclusion in the Lease documentation.
 - If the property includes sub-let areas, it is prudent to obtain plans of sub-division also prepared by a licensed surveyor to Land Victoria requirements, for attachment to sub leases

Lease Renewals



10. Details of any planned upgrades, refurbishments or redevelopment of the premises.
 - Alpine Lease policy (Section 13.2.1) dictates that in order to obtain a lease term of more than 10 years, lessees are expected to “commit through formal agreement to refurbishment/redevelopment of the site to an agreed level within a specified time frame and/or to special conditions/requirements of the Board.”

Lease Renewals

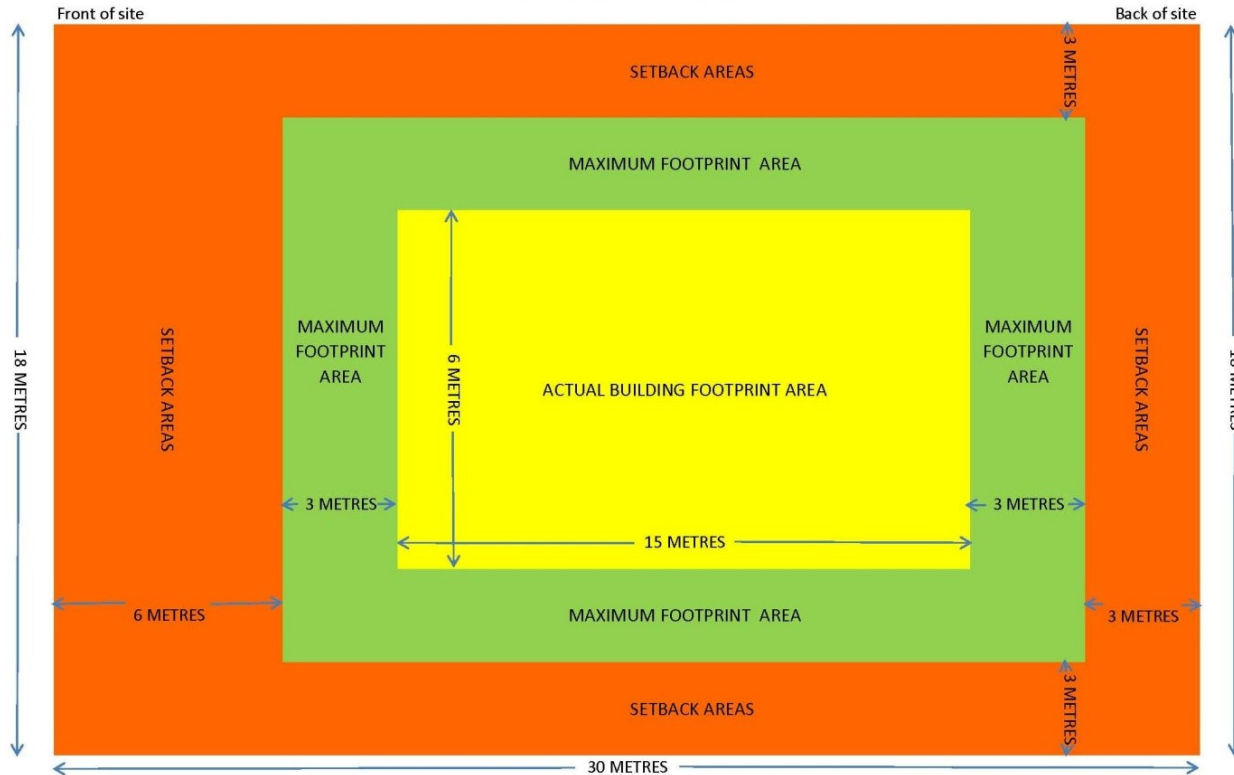


11. Proposed opening periods and access to facilities by the general public (if applicable).
 - Multi-seasonal opening, and/or support for Resort events viewed favourably
 - Public benefit criteria
 - Benefit to the Resort
12. Marketing strategy (if applicable)
 - Booking services (eg High Country Reservations)
 - Advertising & promotion of property for public letting
 - Promotion, availability and expansion of memberships (if applicable)

Lease Renewals



SISP CALCULATION EXAMPLE



SISP PARAMETERS (Green + Yellow)

SITE AREA	540 m ²
SETBACK AREAS	288 m ²
MAX FOOTPRINT	252 m ²
MAX BUILDING HEIGHT	11 m
MAX BUILDING VOLUME	2,772 m ³

EXAMPLE (Yellow only)

SITE AREA	540 m ²
SETBACK AREAS	288 m ²
ACTUAL FOOTPRINT	90 m ²
ACTUAL BUILDING HEIGHT	7.5 m
ACTUAL BUILDING VOLUME	675 m ³

$$\text{SISP} = \frac{675}{2772} \text{ Cubic Metres} = 24.35\% = \text{up to 10 Years}$$

SISP	LEASE TERM YEARS (UP TO)
<25%	10
25%-39%	21
40%-74%	35
75%-99%	45
100%	51 (Includes multi-seasonal usage)

Lease Registration



From 21 June 2006 all new leases issued of more than 3 years must be registered with the Titles Office.

What does this mean for Lessees?

Land Victoria's Land Titles Register holds certificates of title, plans of subdivision and other property documents that comprise the State's official land and property records.

The Government guarantees the accuracy of this register of property ownership interests.

The register is open to public search.

Lease Registration



For a lease to be registered, it must satisfy a number of requirements that are strictly applied by Land Victoria (Titles Office):

1. The land must be in the State cadastre and correctly described by a lease plan certified by the Surveyor General;
2. The form and content of the lease must be acceptable for registration by use of the standard Alpine Resorts Lease document or DSE approved alternative lease;
3. The lease must be submitted for registration at Land Victoria.

Lease Registration

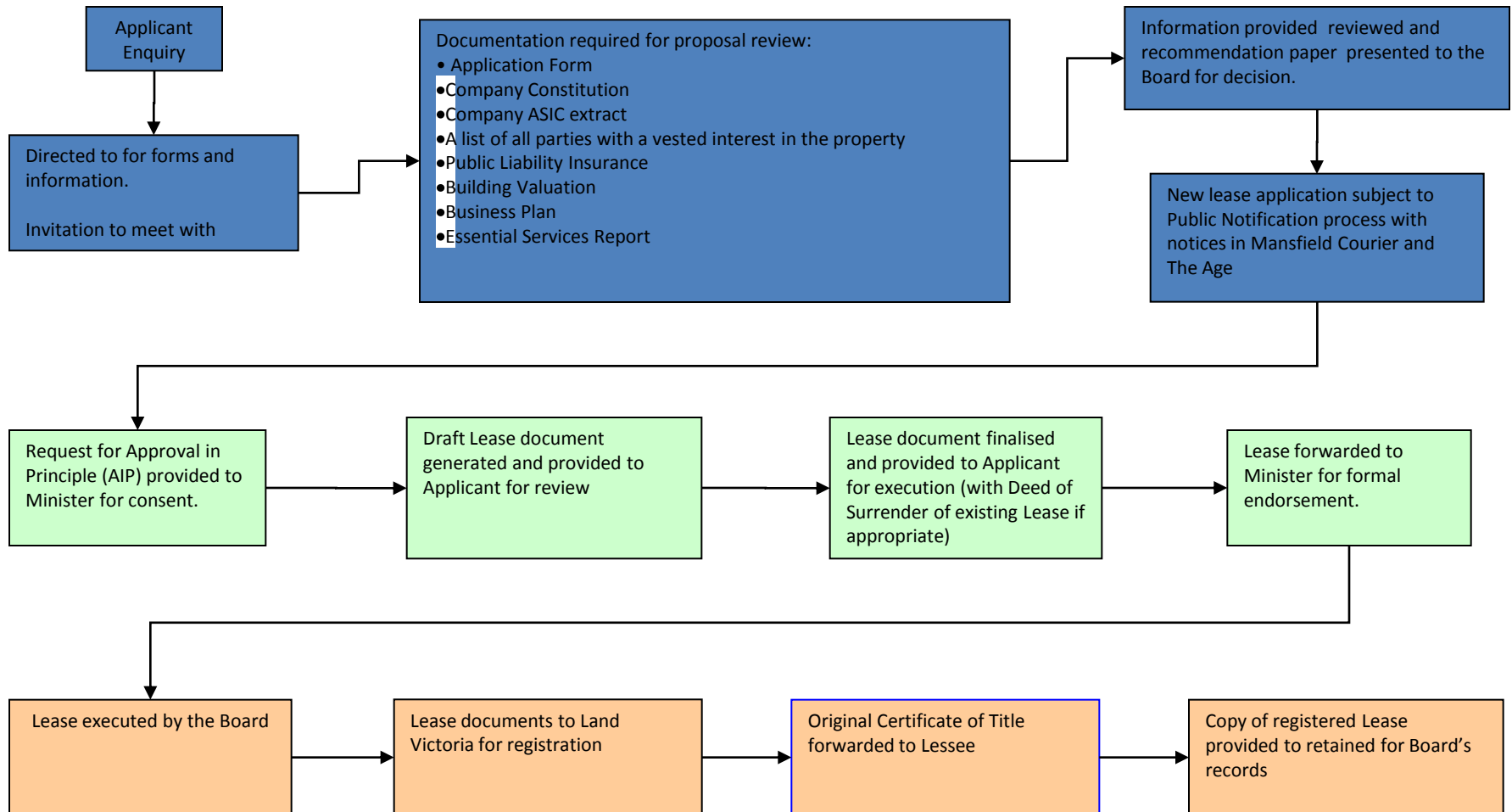


Lease and sub-lease registration offers the following benefits:

- transparency,
- the ability of others such as mortgagees to register their interest in the lease or sub-lease
- greater protection of those interests

Once registered, a certificate of title is created for each lease and a searchable record is created for each sub-lease

Lease Process



Planning



Mount Buller Alpine Resort is covered by the **Alpine Resorts Planning Scheme**

- This Scheme is administered by the Department of Planning and Community Development (DPCD) for the Minister of Planning as the “Responsible Authority”
- All planning applications are submitted to the Board as a Referral Authority
- The Board and DPCD encourage applicants to arrange pre-application meetings with both entities to facilitate a smooth passage of the application.

Contacts



For further information on the new lease application process and planning permit process respectively, please contact:

Jonathan Chivers: 03 5777 7207

jon@mtbuller.com.au

Paul McNamara: 03 5777 7220

paul.m@mtbuller.com.au

Ben Howells: 03 9098 8919

Ben.howells@dpcd.vic.gov.au

Mary Dempster: 03 9098 8918

Mary.dempster@dpcd.vic.gov.au

Questions





Thank you