

FEDERAL GOLF CLUB

CANBERRA

## **FEDERAL GOLF CLUB DEVELOPMENT--Answers to your Questions**

### **Why does the Club need a development?**

Federal Golf Club is a public access golf course with over 1000 active members, and is an highly important community asset. The Club believes this asset should be protected for all Canberrans to enjoy.

Federal faces major water security and capital infrastructure challenges that include a failing irrigation system that is 40 years old, very limited water storage capacity and ageing clubhouse and course maintenance facilities.

When combined with its high debt levels and the cost of potable water, this makes the Club extremely financially vulnerable particularly in times of drought. Much of Federal's high debt levels stem from the millennium drought of the early 2000's when significant outlays had to be made by the Club to survive that period.

Federal is fighting for its future - it must diversify and increase its revenue sources to survive. It needs substantial funding to meet its immediate critical water security and capital needs and reduce its debt and ongoing funding streams to secure its future for both members and the whole community.

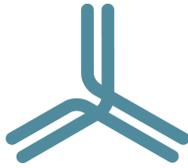
### **Is the game of golf declining, and is the membership of Federal declining?**

No, this is absolutely untrue. The club's membership has been growing since mid 2019 and golf participation has increased by around 40% in this timeframe at the club. One unexpected positive stemming from the global pandemic is the huge spike in interest for the game, courses around the country are experiencing unprecedented demand for tee times and membership.

However, this improved operational effectiveness is nowhere near enough to address the club's water security, key infrastructure and financial challenges.

### **Why has the club chosen to sign a Memorandum of Understanding with Over 55s developer Mbark Pty Ltd?**

The club has investigated all options to diversify its revenue and after a consultant report to the Board over five years ago, it was decided that an Over 55's development was easily the most effective solution to meet the needs of both the Club and provide for the demographic needs of the surrounding community.



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The Club researched widely for a partner with a strong record in developing and operating high quality, environmentally sensitive Over 55 independent living facilities before approaching Mbark which had developed and were operating national award winning villages in Berry and Camden. .

Mbark showed itself to be a highly capable and professional partner in its dealings both with the Club and in consultations with the local community and government.

The Club has entered into a commercial agreement with Mbark for the development and operation of a high quality, environmentally sensitive, Over 55 village which provides for critical infrastructure financial needs up front, provides ongoing revenue benefits and assures the financial security for the Club in the short, medium and long terms.

### **What is the draft Red Hill Integrated Plan and what is its significance?**

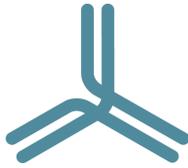
In response to multiple development proposals, including Federal's Over 55 Development, the ACT Legislative Assembly initiated action to review the needs of the overall suburban area adjacent to the Red Hill Nature Reserve.

The government's Environment, Planning and Sustainable Development Directorate (EPSDD) undertook a very comprehensive review with a range of specialist agency inputs and wide community consultation. This resulted in the preparation and public release of a draft Red Hill Integrated Plan for public consultation in November/December 2019.

This draft Plan concluded that the southern precinct of the Federal Golf Club lease was the preferred site for an Over 55 Village and that given the ageing demographics of the local community there was a clear need for this form of accommodation to enable older residents to downsize in their local suburbs.

The Federal Board considered that the draft Integrated Plan was a very well researched study and strongly supported its conclusions in its submission during public consultations. It considered that the siting of an Over 55 Village in the southern precinct of the course was feasible with minimal negative impacts for the environment or local resident amenity.

The release of the report on public consultations on the draft Plan and its referral to the Legislative Assembly is the next step. This was to occur in the first half of 2020 but has been delayed due to COVID and timing of the ACT election.



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**Is the club aware of a proposal from a consortium including the Southern Cross Club?**

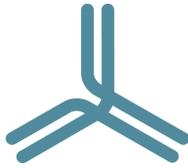
Yes. An email with this proposal was received on December 3, 2020. There has been no prior consultation or discussion with the Club about the proposal. Its proponents include a developer group, architects and the Southern Cross Club. It represents an early conceptual idea for a hotel, reception/conference venue and wellness centre facilities mainly located adjacent to the existing clubhouse site. It was not brought forward by its proponents as part of the Red Hill Integrated Plan study and its siting in the northern precinct of the course appears to be inconsistent with the draft Plan findings relating to fire safety, environmental sensitivity and Gowrie Drive traffic flow considerations.

The Club is fighting for its survival to keep a highly valued asset for its members and the whole community. It considers that the draft Red Hill Integrated Plan is the best urban development outcome for Federal Golf Club providing both for its survival and at the same time meeting the needs of the ageing local population with Over 55 independent living facilities in their own suburbs.

The Club has a commercial agreement with its development partner Mbark but is open to discussions with the Southern Cross Club and other proponents on this and any other ideas that are brought forward. However, it considers all such ideas need to be cognisant of the research and findings set out in the draft Red Hill Integrated Plan and genuinely meet the short, medium and long term financial needs of the Club and provide for local community needs

**Will the golf course still be 18 holes and will it be of the standard it is now, firmly in Australia's top 100 courses?**

Yes the Club are working closely with Mbark and highly credentialed golf course architects to ensure that the Over 55 Development will deliver an equal if not improved golf experience, based on the suggested footprint delivered in the draft Red Hill Integrated Plan.



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**Is it true the Club creates a green space that helps reduce the temperature of the surrounding community?**

Yes, recent CSIRO research within Canberra has shown that the irrigated golf course area contributes to a reduction of up to 2 degrees C in adjacent suburban areas as well as providing important habitat benefits to local wildlife.

**What would happen to the property if the Federal Golf Club had to close its doors?**

We simply don't know. The club spends a huge amount of money every year maintaining this incredible green space that is accessible to the entire community.