

LORD HOWE ISLAND BOARD

MINUTES OF THE SPECIAL MEETING OF THE LORD HOWE ISLAND BOARD

HELD BY TELECONFERENCE ON WEDNESDAY 20 APRIL 2016

Present: Ms S Stewart (Chair – SS)
Mr B Nichols (Deputy Chair - BN)
Ms L Makiiti (Member – LM)
Mr R Pallin (Member – RP)
Mrs J Riddle (Member - JR)
Mr J King (Member - JK)
Mr C Wilson (Member - CW)

Board staff present were Penny Holloway (Chief Executive Officer - PH), Jemima Spivey (A/Manager Business & Corporate Services - JS) and David Kelly (Manager Environment & Community Development - DK).

The Board's external Planning Consultants were represented by Mia Fay (MF) from RPS.

The Open Session commenced at 2.35 pm at the Public Hall and closed at 3:25 pm, and was attended by approximately 17 members of the public.

The Closed Session commenced at 3:25 pm at the Public Hall and closed at 3:45 pm.

Unless otherwise specified, all Board decisions were unanimous.

SS declared the meeting open and called for conflict of interest declarations. No conflicts were declared.

1 FINANCE AND BUSINESS MANAGEMENT

Closed session.

2 LEASING & LAND ADMINISTRATION

2 (i) Transfer of Perpetual Lease (Krick to Wade)

DK gave an overview of the paper.

CW cited concern from Island residents in relation to the valuation and stated that a median Island home is now unaffordable for Islanders. He queried whether a moratorium on the transfer of leases to non-islanders could be imposed until after the release of the Handley Report (review of land allocation and tenure arrangements on Lord Howe Island).

DK replied that in accordance with the Act the valuation was undertaken by Derek Hill for the NSW Valuer General. The Lord Howe Island Board has no influence over the valuation process. DK advised he had spoken with Derek Hill about the valuation and was told that property values have increased state wide. The NSW Government has recently released an issues paper in relation to affordable housing and similarly the Board will investigate potential options for Lord Howe Island such as a reduction in minimum lot sizes, conversion of existing buildings such as garages to dwellings and covenants on leases to restrict sale. Derek Hill also advised that various submarkets exist on Lord Howe Island, with many properties falling in the \$500-\$600K valuation range, however recent valuations happen to have been for properties at the higher end of the market. DK noted that the Handley report will not specifically address the issue of affordability.

PH added that the (Handley) report will address availability and thereby affordability, however having waited 14 months for the report to be released and given there is still no guaranteed release date it would be harsh to hold up current applications.

CW asked what guarantee the Board Members could have that residency will occur and continue?

PH noted the Wade's confirmation of their intention to permanently reside and the Act must be enforced to ensure ongoing compliance or forfeiture.

RP noted that the Board has discretion to refuse a recommendation to transfer however previous advice has been that reasonable grounds are required to support such a decision.

BN agreed with concerns with regard to affordability but stated he did not believe this to be the time or place for that discussion. The Wades have confirmed their intention to reside, the Board must ensure residence does occur and has no grounds to block the application.

JK stated sympathy with CW's comments and queried alternative arrangements the Board could investigate to moderate prices noting that this application must be considered on its merits.

CW agreed the Board must look at ways to mitigate pricing and availability in order to address general concern across the community that the Act is not doing what it set out to do.

SS suggested the Board confirm its rights and seek recommendations in regard to the options available to it.

LM agreed affordability is an issue all are aware of and concerned about. Cost and availability need to be considered in their entirety however the rights of vendors also need to be taken into consideration.

SS asked for comments or questions from community members present.

Bruce McFadyen introduced himself and expressed concern over leaseholders subletting their leases to non-Islanders thereby allowing them to be absent from the Island. He stated the current limit on new dwellings has a direct effect on values and expressed doubt in relation to (recent) valuations.

Karen Giles informed the Board she has a 4 acre lease which has previously been subdivided and questioned the consistency of valuations being dispensed. Karen suggested that potential sales were being withheld based on valuations and the system needs to be more fair.

RP noted that the Board had sought advice in relation to the valuation process a few years ago.

It was moved BN, and seconded LM, that the Board endorse the recommendations.

Six members voted for the motion. One member voted against the motion.

The Board then adopted the motion.

A further motion was then put forward by JK, and seconded by CW, that prior to the June meeting, that options be investigated in regard to opportunities available to the Board to moderate price increases on the Island.

The Board then adopted the motion.

2 (ii) Transfer of Perpetual Lease (Rathgeber to Krick)

DK gave an overview of the paper.

It was moved BN, seconded LM, that the Board endorse the recommendation.

The Board then adopted the motion.

2 (iii) Transfer of Perpetual Lease (Makiiti to Deacon/Kuilman)

DK gave an overview of the paper.

It was moved JR, seconded CW, that the Board endorse the recommendations.

The Board then adopted the motion.

3 DEVELOPMENT APPLICATIONS

3 (i) OC2016-07 Krick (proposed tourist accommodation)

MF gave an overview of the paper.

LM requested confirmation prior to the Development Application being considered that all requirements of the Tourist Accommodation Strategy, steps 1 to 3 have been met.

It was moved LM and seconded JR that the recommendation be endorsed subject to the following modification to condition 8:

Prior to the development application, all requirements of the LHIB Tourist Accommodation Strategy (points 1-3) are to be met. An application for the transfer of 4 tourist accommodation licenses must be lodged and assessed under the LHI Regulation concurrently with the development application.

The Board then adopted the motion.