

12 October 2021

Meeting Minutes

Bulleen Industrial Zone (BIZ) Business Liaison Group Meeting

Date	12/10/2021	Time	5.30 - 6.30pm
Chair	Mike Marasco	Meeting no.	9 for 2021
Location	Zoom	Minute taker	Nadia Hollins

Attendees

Attendees			
Name	Organisation	Name	Organisation
Mike Marasco (MM)	Independent Chair	Bruce Plain (BP)	Bulleen Art & Garden
Joe Mustica (JM)	MFJ Construction	Cam Giardina (CG)	Cam's Greenaway Auto Repairs
Jodi Crocker (JC)	Wonder Pies	Ben Harnwell (BH)	Manningham City Council
Andrew Hocking (AH)	North East Link Project	Bryan Yeow (BY)	Department of Transport
Tom Gorman (TG)	North East Link Project	Jane McIntosh (JMc)	Department of Transport
Nadia Hollins (NH)	North East Link Project		

Apologies			
Name	Organisation	Name	Organisation
Frank Vassilacos (FV)	Manningham City Council	Rebekah Kober (RK)	North East Link Project

Actions previous

No.	Action	Owner	Due	Status	Update
1	Investigate market research piece of work to address compensation within changing property market and follow up at senior levels including Duncan Elliott regarding impact.	RK	14/09/21	Closed	Update on EY advice and support services for businesses to be provided at next meeting DE- reported that he has asked for some advice regarding valuations and market movement which he will assess with DoT for potential responses. TG, has provided EY real estate market analysis as per minutes.
2	JM -Issue regarding rent payment requirement and process and 8-10 week delay in response.	JMc	20/07/21	Closed	DE- sent email to DoT regarding JM's concern. JMc- DoT is aware and working through the issues raised by businesses and will work directly on a case-by-case basis. BY - Correspondence has been sent to JM.
3	JM- raised issue for his business regarding requirement to pay 12 months of land tax for his Bulleen property. An issue for a number of the BIZ businesses.	BY /JMc	14/09/21	Closed	JMc- DoT is working to understand and provide clear advice on land tax issues to businesses. JMc will provide update at the next meeting. JMc- DoT has provided advice on land tax issues to businesses as per minutes.
4	MCC and NELP to update on how the 50K from MCC Relief Fund support package will be implemented.	RK / FV	14/09/21	Closed	RK is meeting Manningham CC to discuss the Relief Funding. BH discussed how to obtain the Manningham CC Relief Funding for acquired business as per minutes.
5	BIZ BLG will consider at our next meeting if we will move to every 6 weeks thereafter.	MM	12/10/21	Ongoing	BIZ BLG to consider at our next meeting. BIZ BLG members agreed next meeting in 4 weeks
6	JMc, to provide State Revenue Office contact details / point of contact to share with the individual business on tax advise including land tax.	JMc	12/10/21	Pending	JMc, is working with the State Revenue Office to provide details. JMc, is working with the SRO for a BIZ businesses land tax solution process.
7	AH to liaise with JM regarding information from this meeting to be shared with all businesses.	AH	27/09/21	Pending	AH to gather information and liaise with JM on information to share with the other businesses.

Key discussion points/decisions

Owner	Discussion
Mike Marasco (MM), Chair	<p>Welcome and outstanding business</p> <ul style="list-style-type: none"> • MM welcomes the group, shares apologies and previous minutes. • MM reviews the outstanding actions.
Tom Gorman (TG), NELP	<p>Business and employee support program (BESP)</p> <ul style="list-style-type: none"> • TG update on business and employee support program. • Survey to identify business and employee support needs <ul style="list-style-type: none"> ○ Business and employee survey is still open – businesses are encouraged to complete this survey to get an understanding of what support business and employees may require outside of the LACA acquisition process. ○ Link to survey is here: https://www.surveymonkey.com/r/6PXFBMZ • Industrial Property Market research: EY real estate market analysis <ul style="list-style-type: none"> ○ EY were asked to analyse available sales and rental data within 15kms of the BIP in locations where businesses may be looking to relocate/purchase. Analysis of comparable industrial properties was included between mid-2020 and mid-2021. <p>Overall findings across the areas analysed were:</p> <ul style="list-style-type: none"> ▪ 6-7% increase in rental asking prices ▪ 13-14% increase in land values (\$1,943 to \$2,210 m²) ▪ 8-9% increase in improved values (\$3,100 to \$3,400 m²) ▪ During the COVID-19 period, some properties were not leased due to lockdown, freezes on commercial rents ▪ 51 property sales within the 15k ratio of the Bulleen Industrial Zone ▪ 150 properties were leased within the 15k ratio of the Bulleen Industrial Zone. • BY spoke about the EY report survey commented, there is an increase of available properties to lease now as there was at the start of the survey period. This could be due to the lease cost rises, and what is available at the time. • Q:MM, what happens with that survey information now? is it used internally? • A:TG, NELP and DoT are looking at the changes and where they can be addressed. There is no silver bullet for all those categories to address the market movement. The businesses will be individually assessed with the consideration of the EY report. It's important for the business to include their property market analysis as part of their claims, so that their DoT case managers and their solicitors can address any issues during their conferences. • MM summarised, each business is dealt with on a case-by-case basis, the relationship with your solicitors and your DoT case managers is a critical one, and to raise your interests and or your concerns for your business based on your individual circumstances. • Q: MM to TG, can those figures be quoted? • A: TG, I can provide something that can be shared. The EY report is specific to this area and real estate information is publicly available. • Q: JM, will DoT take into consideration the information NELP and EY have put together?

- A: BY, now that the information has been confirmed, DoT will use the information and look at how it applies to the individual business to move forward and address any concerns. Its good information, it's not going to be a silver bullet, I think, and it is information that we will rely on in helping business to a pathway forward, given the environment.
- Q: JM, why isn't it a silver bullet? when the analysis is from an independent expert company and shows an 13-14% increase in land values?
- A: BY, it's always a risk in producing this type of report, if the market moved since then, how that is considered in compensation. Questions have been raised, why can't the compensation be based on current rate rather than locking into a fixed rate at the time of the acquisition? The legislation is written that compensation rate is made at acquisition and within the 14 days. DoT would like to have the conversations, to raise any concerns and for the businesses have a clear pathway for the future.
- MM, I think we have progressed, the EY report gives more flexibility with the individual business cases and I think it's away forward for those businesses.
- JM commented that the property that he purchased 12 months ago has increased in value. The property salesman is pushing him to sell and make a profit, due to the shortage of properties for sale in these neighbouring areas. A lot of the sales property enquires are from the Bulleen Industrial Zone businesses.
- MM thanked TG for the business and employee support program update.

Ben Harnwell
(BH),
Manningham
City Council

Manningham City Council Relief Fund

- BH spoke about the \$50k Manningham City Council (MCC) Relief Fund support package and how it will be implemented.
 - MCC business engagement staff are planning to visit the BIZ businesses in a couple of weeks. The BIZ business will be asked to complete a simple survey about their business needs. Once the survey is completed, \$500 will be placed in the business bank account to support relocation/transition requirements.
 - The survey will help MCC to advocate for the businesses, any requirements they may need from State Government or MCC for relocation support.
- Q: AH, how will you promote that to the BIZ businesses?
- A: BH, we will be promoting this in various ways, firstly, MCC business engagement authorise officers will hand deliver the surveys to the BIZ businesses and will follow up with those businesses that MCC could not contact via email or phone.
- Q: AH, if a business has already relocated, are they still eligible?
- A: BH, it's about assisting the businesses with relocation costs but happy to explore other options.
- AH, we do have businesses that have relocated that would appreciate the relief fund.
- BH, there is enough money for all the affected BIZ businesses.
- MM, suggestion, before the MCC staff approach the businesses to contact AH on the best ways to deliver the support package.
- BH, yes happy to do that, Liz has spoken to me about that.
- AH, the NELP land and business engagement team are happy to help if required.
- MM thanked BH for the MCC Relief Fund update.

<p>Jane McIntosh (JMc) & Bryan Yeow (BY), Department of Transport</p>	<p>DoT Update</p> <ul style="list-style-type: none"> • DoT contacted the State Revenue Office (SRO) and DoT project lawyers, Clayton Utz who manage all DoT settlements, working with them to determine if owners are able to request an amended land tax assessment notice. By way of background, during the acquisition process the acquired receives their notice of acquisition (NOA), the Project notifies the SRO following publication in the Victoria Government Gazette. There are two categories for consideration: <ul style="list-style-type: none"> ○ The BIZ businesses who received their acquisition notices in 2020, there was a short delay to the SRO being notified of the change in ownership, resulting in SRO issuing Land Tax Assessment Notices based on land ownership as at 31 December, which included land tax for the acquired property. ○ The BIZ businesses who received their acquisition notices 2021, are required to pay land tax based on ownership as at 31 December 2020, they were always going to receive this assessment. • During settlement, either final or advance, DoT will work with the individual BIZ business and make adjustments to land tax paid. DoT will endeavour to work with each business and SRO for a resolution. • DoT and SRO are working through a clear process for the BIZ businesses to contact the SRO and request a re-assessment as DoT cannot act on behalf of the businesses. DoT may be able to provide a letter confirming the compulsory acquisition has taken place. • The BIZ businesses should contact their DoT case manager to discuss and to enable any adjustments to be made at settlement. • BY, added that the BIZ businesses who received their acquisition notices, and adjustments are required, will need provide to their DoT case managers, evidence that land tax amount has been paid. • JM, advised that he wrote to the SRO four months ago and have not had a reply. • Q: JMc, have you provided a copy of the correspondence to your DoT case manager as that would be helpful? • A: JM, I am unsure, but I can provide a copy to my case manager. • JMc, I will ask your case manager David, to contact you. • MM thanked JMc and BY for their DoT update.
<p>Mike Marasco, MM</p>	<p>Other business</p> <ul style="list-style-type: none"> • MM, discussions on having the meetings reschedule for 4 or 6-week period and asked members for their feedback. • BIZ BLG members agreed next meeting in 4 weeks' time. • AH, I will contact JM to discuss the business updates. • MM, asked AH in RK absents to review with TG on the four business support items that RK listed in the previous minutes. <p>Next meeting 9 November 2021.</p>

Actions – new

No.	Action	Owner	Due	Status	Update
1	JMc arrange DoT case manager to contact JM regarding the land tax assessment.	JMc	9/11/21		
2	BH to contact AH on the best ways to deliver the support package to the BIZ businesses.	AH / BH	9/11/21		