



Noosaville Marina Pty Ltd  
ATF The Noosaville Marina Unit Trust

C/- PO Box 631, Spring Hill QLD 4004  
Ph: 07 3216 1035  
Fax: 07 3216 1037

1 August 2012

The Research Director  
State Development, Infrastructure and Industry Committee  
Parliament House  
George Street  
Brisbane Qld 4000

Dear Sirs,

#### **LAND TENURE ENQUIRY**

I have read the Land Tenure Enquiries Terms of Reference and believe this submission is relevant to:

1. The viability of Tourism Industries in the future
2. Ongoing and sustainable resource development

#### **Background**

My company Noosaville Marina Pty Ltd has a 20 year DERM Lease (Term Lease 210251, Lot 161 on CP907406 terminating 31/08/2017) as a Marine Facility on the Noosa River at Gympie Terrace, Noosaville. The wording of our lease allows for us to use the leased area for "marine facility purposes, namely a charter vessel/tour boat, passenger terminal and the berthing of a floating restaurant and purposes incidental thereto including the mooring of vessels".

Our cornerstone tenant at the marina is "The Boathouse Floating Restaurant" which is an iconic floating restaurant on the Noosa River (refer photo). Our other water based tenancies include tourism related operators such as a fishing charter operation, high powered wave jumping boat, and Kayak Noosa tours. We also have a building within our lease area at the banks of the river that houses tourism related Ticketing and Information services, and two small remedial masseuse businesses.



### Investment

We have invested in excess of \$4.5 million in acquiring the lease and the Floating Restaurant vessel and development and maintenance of the marina facility.

### Lease Renewal Insecurity

The major issues we have with the current DERM lease arrangements relate to the uncertainty of renewal and out-dated conditions of existing lease.

#### Renewal

Due to the lack of certainty of renewal, the lease reaches a stage whereby it has the potential to devalue itself, for the following reasons:

1. Diminishing capital expenditure of the Marina due to uncertainty of renewal
2. Tenants become nervous and seek alternative tenancy options due to uncertainty
3. Future planning, expansion and/or sales prospects put on hold due to uncertainty

#### Out-dated Lease Conditions

We have a specific example which relates to the usage conditions becoming out-dated and/or ambiguous.

DERM have recently disputed our usage rights under the terms of the lease whereby they are demanding we cease use of the land for Chinese Medicine and Therapeutic Massage Services. Our lease area includes both water based (floating marina) plus on land facilities (tourism related booking office, kayak hire etc.). Over the past 15 years of the lease our Tourism and Marine Facility purposes have had to adapt to meet a more demanding and discerning customer.

We have two small offices located in a serene setting overlooking the Noosa River. Both offices have access to good tourism traffic flow attracted to the restaurant and marine activities at our marina. We had two new enterprises approach us a couple of years ago to enquire about taking space at our marina. One was for Therapeutic Massage and one for a Chinese Medicine consultancy. Both masseuses have now operated within our lease area for nearly two years; however DERM has now advised their occupancy is not consistent with the purpose that the lease was issued for and requested immediate cessation of their use. We have sought legal advice and have disputed their instructions. We believe the tenants' usage is 'purposes incidental thereto' as per Clause A34 (1) of our Lease.

This seems to be a ridiculous argument and relates to specific wording in a clause written 15 years ago.

We also are currently experiencing substantial delays in DERM responding to a request from us lodged in January 2010 to move our whole lease footprint approximately 2 metres East to comply with a request from Marine Safety Queensland to widen the fairway between our lease and the adjoining lease on our West.

Once again this issue is Tourism related as the request from Marine Safety Queensland came about by Discovery Tour's award winning Everglades Tours requiring a larger turning area for their newly acquired vessels. The new vessels are larger in size to accommodate the growth in inbound tourist they have been successful in attracting. DERM's inaction is jeopardising the growth of ours and Discovery Tours tourism related operations.

#### Summary

We submit the aforesaid as an illustration of uncertain problems we have at the latter end of a limited lease arrangement without options of renewal. We also submit examples of out-dated lease conditions as an illustration of DERM's inflexibility especially within the challenges of the tourism industry.

By way of further example, in front of my own house there is a jetty (non-commercial) that has a 99 year lease of which no more than \$1000 would have been spent on that jetty in the last 10 years. Whereas we have spent over \$4.5 million on a facility in the same river within a limited time lease of 20 years of which there is 5 years remaining and we have no certainty of continuance.

I submit that the DERM lease arrangements need to be overhauled.

The writer is available for personal appearance and input before the Committee if required.

Yours faithfully,

Peter Thynne  
Director  
**Noosaville Marina Pty Ltd**