

## Central Lane Hotel – DA/38/2019, Additional Infrastructure Charges

15-8-2020

Dear Mayor and Councillors.

I am writing to request that the Gladstone Regional Council (GRC) removes the additional infrastructure charge from the above DA which received approval 29<sup>th</sup> October 2019.

Respecting that everyone is busy and time is running out for me, please find below a summary of my reasons for my request.

- The DA qualified for GRC infrastructure rebate scheme of 50%
- This contribution was appreciated and the remainder was budgeted in my due diligence for the project.
- Builder tender documents were generated and the tender sent out.
- Tender documents received and the process continued with the successful builder being engaged.
- 5 days later, mandatory covid-19 shutdown was applied, **which drastically effected the hospitality industry and my business.**
- 10 days into shutdown, connected with the builder and reverse engineered the build to reduce build cost and try to take advantage of the forced shutdown.
- Redocumented builder staging of the project, adjusted the costs of building works and continued with finance.
- Although the lending market has been somewhat negative towards the hospitality sector and regional areas, I have worked to overcome this by highlighting the merits of investing in Gladstone and believe this strategy has kept the project alive.
- Every time we were almost there, something else would pop up like the outbreak in Victoria and the subsequent second lockdown.
- Debt finance for the project was approved, Thursday 13<sup>th</sup> August 2020.
- The project is shovel ready.

As a sole trader and true independent of the industry, I have been faced with mounting costs through the forced lockdown. While we have one detached bottle shop and traded this through the lockdown its nett revenue only served to support staff and keep the wheels turning for the business. Capital reserves have been exhausted to keep the project going and to be able to reopen on the 3<sup>rd</sup> of July 2020.

I am fully committed to this project and believe it will bring a new entertainment dynamic to Central Gladstone. This project has already provided and will continue to provide work to local consultants and trades people.

My request of the council to remove the infrastructure charges have come about from these unforeseen circumstances and not from my lack of commitment to this Central Gladstone project.

I also believe this project has unfolded a number of positive outcomes for Gladstone which I list below;

- Removing an AEP (adult entertainment permit) from the community.
- Realigning my customer base toward family groups across the broad age range. From 9 to 90 years of age.
- Creating recreational activity within the license venue.
- Bringing an indoor bowling facility back to Gladstone, which was lost in 2011. This will remove the retail spillage and loss of revenue from families travelling to Rockhampton to bowl.
- Installing the latest 4 lane bowling equipment with state-of-the-art scoring and graphics.
- Increasing the employment while having a sustainable business model.
- Focusing on local trade and families and not waiting for another infrastructure boom.
- Bringing all Council files on the site up to date with plumbing and sewage documents.
- Modernizing a build circa of early 1960's into an energy and water efficient venue.
- Brand new kitchen on the ground level with a new carpark.

With your help by removing the infrastructure charges, this project will be able to start with a stronger financial footing and help provide me with the added confidence that I have Council support for a great project for Gladstone.

My request comes with the heavy burden that Convid-19 has put on my aspirations for this project and is made in good faith. Thank you for your time and consideration and please feel free to contact me should you require any additional information.

Yours sincerely

Rick Adams  
Proprietor  
Central Lane Hotel