

SESSION 4

‘A Dynamic City Needs Dynamic Leadership’

gold coast

VISIONchallenge**leadership**

All-Day Regional Development Industry Conference

Gold Coast

Tuesday 10 August, 2010



sustainabledevelopment
gold coast inc.

DAVID POWER

**‘Corridors of Political
Power in Gold Coast City
Council’**



GFC Timeline

7 September 2008, announced that two firms, Fannie Mae and Freddie Mac, would be nationalised to try to ensure the financial stability of both

14th September 2008, Lehman Brothers, would file for bankruptcy after being denied support by the Federal Reserve Bank.

Later the same day, the Bank of America announced that it would be purchasing Merrill Lynch.

GFC Timeline

15th and 17th of September 2008. Due to the above factors, there was major instability on the global stock markets with major decreases in market value

16th September, the American International Group (AIG), was helped by the Federal Reserve which created an \$85 billion credit facility to stop it from collapse.

- Over the next two weeks, more banks failed and the two remaining banks-Goldman Sachs and Morgan Stanley converted into 'bank holding companies' so that they had more access to market liquidity.

Numerous plans were put forward with intent to solve the crisis and in the end President George W. Bush and the Secretary of the Treasury announced a \$700 billion financial aid package intended to limit the damage that the previous few week's events caused. The plan was received well by investors on Wall Street and around the world.

GFC Timeline

28th September 2008 announced that Fortis, a large banking and finance firm would be semi-nationalized with Luxembourg, Belgium and the Netherlands investing over 11 billion Euros into the company.

29th September 2008 announced that the US bank Wachovia would be bought up by Citigroup . **Later that day, Iceland nationalized the Icelandic lender Glitnir.**

30th September 2008 announced that 9 billion Euros was being made available for the bank Dexia by France, Belgium and Luxembourg.



GFC Timeline

October 2008 the crisis was described as a
National Security Issue

Government guarantees \$1,200bn of deposits with, and \$200bn of investments in, Australia's banks, building societies and credit unions

Fiscal Stimulus Package through almost immediate payments to pensioners and others of \$10.4bn - about 1% of GDP

Half the expected 2008-09 budget surplus that had been set aside for future investment mainly in health, education and 'nation building' infrastructure.

GFC Timeline

January 2009 Prime Minister raised the prospect that the Federal Government might arrange loans for Australian companies denied finance for **property** by overseas lenders

February 2009, the Federal Government proposed a round-table to check on small business concerns that they were being constrained by a lack of credit from major banks. As a result the federal government promised support for small firms that were not being properly funded by banks.

Council Reaction

- September 2008 - November 2008



Council Reaction



Council Reaction

December 2008



Council Reaction

- January 2009

DRAWING BOARD/MARK ARMSTRONG



Council Reaction

- February 2009-----May 2009



Council Reaction

- June 2009..Aldi announce cancellation of two stores due to PIP charges

Council Reaction



Council Reaction

- **GCB June 18 Cr Sarroff:** ``The global financial crisis has posed a unique challenge in framing this year's budget ... council's revenue stream has been significantly impacted," he said.
- `` Developer application fees are down, infrastructure charges are down and at the same time we have been faced with rising costs

Council Reaction

- July 2009



Council Reaction

- August 2009-----October 2009



Council Reaction

9 November 2009 Council adopted the Temporary Local Planning Instrument (TLPI) and commenced it on **17 November 2009**.

- **Will TLPI affect Policy 16**
- **(Recreation Facilities Network**
- **Developer Contributions) and**
- **Policy 19 (Transport Network**
- **Developer Contributions)?**
- No, the TLPI does not affect policy 16 and policy 19.

Council Reaction

- November 2009-----March 2010

