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# Investment heads south as firms look north for commercial sites

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BUSINESS leaders say commercial development is dead on the Gold Coast and the council is to blame.

Sky-high infrastructure charges, ranging from hundreds of thousands to millions of dollars, are stunting the growth of the city's biggest industrial area in Yatala.

The council's infrastructure charging system means a 10,000sqm warehouse in Yatala would attract a bill for \$1.3 million.



**Sustainable Development Gold Coast president Greg Short says the Coast is losing business**

The same development at Ipswich would cost about \$200,000 and less than \$500,000 in Logan.

Sustainable Development Gold Coast president Greg Short said commercial development was moving north and taking the city's econ-

omy with it. "These projects not only provide jobs during construction but continue to provide permanent jobs once completed," he said.

"If people are forced to move for work they will, and will take their money with them.

"Securing finance is a problem for everyone at the moment. The Gold Coast is not the flavour of the month.

"But the biggest hurdle for commercial developers is infrastructure charges – they are being hit the hardest."

Commercial developer Colin Ivory, who successfully fought the council's infrastructure charges in court, said work in the industrial area had ground to a halt.

"For the first time in a long time, we don't have any projects in Yatala," said Mr Ivory.

"Council's massive infrastructure charges are making projects financially unfeasible."

Mr Ivory was quoted \$178,000 in infrastructure fees for a commercial development five years ago and as the figure stacked up, he continued.

In 2007 when it was time to pay up, he received a \$750,000 bill, but contested the new amount and won. The Gold Coast City Council is 18 months behind in its infrastructure charge system review.

Mayor Ron Clarke said the council had given developers \$4 million in subsidies earlier this year.

"Discounts were given to eligible developers to give the industry a boost. The council is doing what it can to help," he said.

Mr Short said the discounts were no help to commercial development.