



Return Address:
PO Box 1
DONCASTER
VIC 3108

28 January 2021

Cr Rick Garotti
Mayor
Banyule City Council
PO Box 94
Greensborough VIC 3088

Dear Mayor,

Re: Council Purchase and Leaseback of Templestowe RSL Property

As Mayor of one of the estimated 20 councils across Victoria which host RSL-branded poker machines venues, I write to you on behalf of the Manningham Council to inform you of the innovative method by which Council acquired a strategically important parcel of land currently occupied by the Templestowe RSL at 156 Parker Street, Templestowe.

The acquisition not only represents the strategic purchase of the last remaining non-council owned site on the old Templestowe Primary School site (now the Templestowe Leisure Centre which services netball and basketball), but is viewed as an innovative and socially responsible acquisition that benefits Council, the Manningham community and the Templestowe RSL.

In addition to settling on the \$1.25 million purchase price, Council entered into a 20-year leaseback arrangement with the Templestowe RSL Trustees at a commercially agreed indexed rental of \$35,000 per annum. This ensures an important community organisation can plan for its future with confidence that it has now cleared its debts and has more than \$1 million in the bank, plus delivers Manningham Council a commercial return on its investment.

Council welcomed the approach from the Templestowe RSL and achieved the successful outcome through good faith negotiations. Council also appreciates the trust the RSL has in Council as a reliable, trustworthy and secure landlord for the next 20 years. I am also proud to highlight a condition enthusiastically embraced by both parties in the lease that prohibits the operation of poker machines at the venue for the next 20 years. The Templestowe RSL has never had poker machines although it explored an application in the 1990s.



Interpreter service

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We believe this innovative sale and leaseback arrangement with the City of Manningham can act as a model for how local government can partner with RSLs to assist them in moving to a more socially acceptable, pokies-free operating model, whilst remaining financially sustainable with a stable, community-minded Council as landlord.

On behalf of Council, I am pleased to be able to share the details of this model and trust that you can appreciate the benefits it offers to both organisations and the community as a whole. I would encourage you to consider this a model that can be replicated in your Municipality and would welcome the opportunity to discuss Manningham's innovative outcome in more detail should you require further information.

Our data indicates that our community suffered \$56.2 million in losses at Manningham poker machine venues in calendar year 2019. This is equivalent to approximately 54% of Manningham Council's rate revenue over the same period.

The RSL was established almost 100 years ago to look after the interests of returned soldiers after World War 1 to provide a safe place for veterans to gather and to provide support services. It is my view that offering veterans easy access to poker machines does not align with the RSL mission given the significant and increasing evidence of social harm resulting from poker machines.

I commend our Templestowe RSL sale and leaseback as an alternative model worth exploring and would be happy to engage more fully if you are interested in the details of how this came about or how might engage with your local RSL clubs to secure a similar outcome.

Yours sincerely,

Cr Andrew Conlon
Mayor

TRIM Reference: D21/3534