

STAKEHILL ROAD, BALDIVIS, COMPULSORY ACQUISITION OF PROPERTY

102. Hon BARRY HOUSE to the parliamentary secretary representing the Minister for Planning and Infrastructure:

I refer to the compulsory acquisition of the Stakehill Road, Baldivis property owned by Mr Kuzma Stipkovich.

- (1) What is the size of the property being acquired?
- (2) What is the amount of compensation being offered to Mr Stipkovich?
- (3) What is the government going to use the property for?
- (4) Why is the whole property being acquired when earlier commitments given to Mr Stipkovich were that he could retain part of the property and continue to live there and work his market garden?
- (5) If in the likely event that part of the property will not be required for railway purposes, will this portion be offered back to the Stipkovich family on the same terms as it is being acquired?
- (6) If not, why not, and what will this surplus land be used for by the government?

Hon ADELE FARINA replied:

I thank the member for some notice of this question. The answer runs for some three pages; therefore, I seek leave to have it incorporated in *Hansard*.

Leave granted.

The following material was incorporated -

I thank the Hon. Member for some notice of this question.

Mr Stipkovich's property at Lot 29 Stakehill Road, Karnup was compulsorily taken by the Western Australian Planning Commission (WAPC) on 8 August 2003 under the Metropolitan Region Town Planning Scheme Act 1959 for the purposes of Railways - South-West Metropolitan Railway and Other Regional Roads - Stakehill Road.

1. The whole of the Stakehill Road property was taken by the WAPC, being 4.0554 ha. Of this area, approximately 1.28 ha is reserved for railway and the new service road; 0.64 ha is reserved for widening of Stakehill Road; and the balance is proposed to be reserved for Railways under the South-West Metropolitan Railway amendment to the Metropolitan Region Scheme.
2. Mr Stipkovich has made a compensation claim of \$1,430,000, which has since been reduced to \$709,591.30. In May 2004 the WAPC made an offer of compensation of \$583,000 (being realty of \$530,000 and solatium of \$83,000) along with an offer of advance payment of the same amount.

Along with the offer of compensation and offer of advance payment, the WAPC issued a Notice to Quit requiring Mr Stipkovich to vacate the property by 31 December 2004.

Mr Stipkovich rejected the offer of compensation, but accepted the offer of advance payment of \$583,000 in partial satisfaction of his compensation claim. The advance payment, along with interest, was paid to Mr Stipkovich on 12 August 2004.

On 20 October 2004 the WAPC paid Mr Stipkovich a further \$39,692.30 being reimbursement for the stamp duty, transfer fees and settlement fees following his purchase of 16 Motril Avenue, Coogee on 13 August 2004, which is a replacement property for the property taken by the WAPC.

Two extensions to the Notice to Quit were given to Mr Stipkovich; the first, to 28 February 2005 and the second to 6 April 2005; however, on all three occasions Mr Stipkovich has refused to vacate the property and relocate to his new property in Coogee. As the whole of the property is to be handed over to the rail contractor, RailLink Joint Venture, by 1 May 2005 Mr Stipkovich is required to permanently vacate the property not just for RailLink's requirements, but for his own safety as the property will become a construction site and both houses on the property will be demolished to make way for the rail and road works.

3. The Stakehill Road property will be used for the construction of the South-West Metropolitan Railway; a new road to service properties fronting Fletcher Road that will be severed by the railway; and road works to widen and upgrade Stakehill Road including the construction of a bridge over the railway line. As part of these construction works, RailLink will be using the balance of the property for the storage of ballast, machinery and other equipment required for the works.

Once the rail and road works have been completed, Transperth has identified 1.7 ha of the property east of the railway as being suitable for a planned bus depot that is required to service surrounding localities between Rockingham and Mandurah.

4. The WAPC through the Department for Planning and Infrastructure (DPI) and the former Ministry for Planning has been attempting to negotiate with Mr Stipkovich since the mid 1990s when the reservation was first brought down in the MRS for the purchase of the Stakehill Road property. During that time, Mr Stipkovich has used the services of a number of real estate agents, the former Member for Rockingham (Hon Mike Barnett) and solicitors; however, on each occasion Mr Stipkovich withdrew from negotiations before settlement could be achieved, including at one time where the WAPC had accepted his asking price, but Mr Stipkovich refused to proceed to settlement against the advice of his real estate agent.

As the two original road and rail reservations affected the two houses on the property, and the parties that represented Mr Stipkovich had offered to sell the whole of the property, the WAPC had been negotiating to purchase the whole of the property. As the future Stakehill railway station was to be located on Mr Stipkovich's property, the whole of the property was eventually taken by the WAPC as part of the public works required for the South-West Metropolitan Railway.

Extract from *Hansard*
[COUNCIL - Tuesday, 26 April 2005]
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Hon Barry House; Hon Adele Farina

Since the property was taken, further detailed planning, and a request by the City of Rockingham has resulted that the future Stakehill railway station be relocated to a site north of Stakehill Road.

Neither the WAPC nor the DPI have given any commitments to Mr Stipkovich or his solicitors that he could retain part of the property. At a meeting with Mr Stipkovich, his family and solicitors on 14 February 2005, officers of DPI advised that they would investigate whether there was a possibility that some of the property might be sold back to Mr Stipkovich if not required for another public work noting Transperth was seeking to locate bus depot in the vicinity, once rail and road works have been completed.

Following advice from Transperth, DPI advised Mr Stipkovich's solicitors on 24 March 2005 that it would be unlikely that any part of the property would become surplus to requirements because Transperth had advised that the portion of the property no longer required for the train station had been identified as suitable for a proposed bus depot; a use that is not inconsistent with the railway.

- 5 & 6. In the event that part of the property is not required for railway, road or other public transport uses (such as the proposed bus depot) and the remaining land can be a viable separate lot, then the land can be sold back to Mr. Stipkovich in accordance with Land Administration Act 1997 and the Metropolitan Region Town Planning Scheme Act 1959 (MRTPS Act). Mr. Stipkovich has been advised of this. If any surplus taken land is offered for sale back to the former owner, it is to be done at the prevailing fair market value for that parcel of land.
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