

Geelong Market Site (Amendment) Bill

No.

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LEGISLATIVE ASSEMBLY

Read 1 28 October 1987

(Brought in by Mr Jolly and Mr Fordham)

A BILL

to amend the *Geelong Market Site Act 1983* and for other purposes.

Geelong Market Site (Amendment) Act 1987

WHEREAS it is to expedient to—

- (a) clarify the rights of persons lending money for the development of the Geelong Market Site; and
- 5 (b) to widen the borrowing powers of the City of Geelong with respect to the Geelong Market Site.

The Parliament of Victoria therefore enacts as follows:

Purposes.

1. The purposes of this Act are—

- 10 (a) to clarify the rights of creditors of the City of Geelong to enforce their security; and
- (b) to widen the City of Geelong's borrowing powers; and
- (c) to make other necessary amendments.

Commencement.

2. This Act comes into operation on a day to be proclaimed.

15 **Principal Act.**

3. In this Act the *Geelong Market Site Act 1983* is called the Principal Act.

8—[148]—850/29.10.1987—2458/85—(Revision No. 4) (921)

No. 10025 as
amended by N .
10087.

Insertion of definitions of financial accommodation and financial arrangements.

4. In section 3 of the Principal Act, after the interpretation of "Crown grant" insert—

“**Financial accommodation**” has the same meaning as in the *Borrowing and Investment Powers Act 1987*. 5

“**Financial arrangements**” has the same meaning as in the *Borrowing and Investment Powers Act 1987*.”.

Clarification of borrowing powers.

5. In section 8 of the Principal Act— 10

(a) for sub-section (1) substitute—

“(1) The Council, with the consent of the Treasurer and the Minister administering the *Local Government Act 1958*, and subject to any conditions which the Treasurer may impose, may— 15

(a) borrow money, obtain financial accommodation or enter into financial arrangements for the purpose of redeveloping and managing the Market Site; or

(b) vary any agreement that it has made under paragraph (a); or 20

(c) borrow money, obtain financial accommodation or enter into financial arrangements to repay any borrowing it has made under paragraph (a) or (b); or

(d) vary any agreement it has made under paragraph (c).”; and 25

(b) in sub-section (2) for paragraph (c) substitute—

“(c) moneys borrowed, financial accommodation obtained and financial arrangements entered into by the council may not be raised, obtained or entered into by the council in the manner referred to in section 3 (1) (c) (i), (ii) or (iv) of that Act; 30

(d) if the holder of a mortgage securing borrowings made, financial accommodation obtained or financial arrangements entered into under this Act applies for the appointment of a receiver under section 12 of that Act, the court may appoint a person as receiver to collect and receive the whole or a competent part of the money in the Geelong Market Site Account and the income and revenue of the market site and, if that money, income and revenue is insufficient, the income and revenue of the whole or a competent part of the town fund and revenue of the City of Geelong until the principal and interest together with the costs of the application and collection are fully paid; 35 40 45

(e) despite section 10 (5) of this Act, if a receiver is appointed under paragraph (d), section 13A of the *Melbourne and Geelong Debentures and Inscribed Stock Act 1932* does not apply to a drawing of money from an account of the city by that receiver.”; and

(c) after sub-section (2) insert—

“(3) For the purposes of the *Melbourne and Geelong Debentures and Inscribed Stock Act 1932* a mortgage granted to secure money borrowed, financial accommodation obtained or financial arrangements entered into under this section is deemed to be a mortgage granted under and complying with that Act.

(4) For the purposes of section 3B of the *Melbourne and Geelong Debentures and Inscribed Stock Act 1932*, a person who lends money or provides financial accommodation to or enters into financial arrangements with the council is deemed to be a mortgagee.”.

Establishment of reserve fund.

6. In section 10 of the Principal Act—

(a) after sub-section (3) insert—

“(3A) The council must establish and maintain in the Geelong Market Site Account a reserve fund.

(3B) The council must pay into the reserve fund any surplus of money standing to the credit of the Geelong Market Site Account at the end of the municipal financial year after the payments that are required to be made from the Account for that year under this Act have been made.

(3C) If, for any municipal financial year, there has been paid into the reserve fund under sub-section (3B) an amount equal to or greater than \$1 000 000, the Council must retain in the fund—

(a) the sum of \$1 000 000; or

(b) an amount that is not less than the sum of amounts the council is or may become liable to pay in the following municipal financial year as a result of or in connection with money borrowed, financial accommodation obtained or financial arrangements entered into by the council under this Act—

whichever is the greater.”;

- (b) in sub-section (4), for “profits standing to the credit of the Geelong Market Site Account at the end of each municipal financial year” substitute “any amount of money paid into the reserve fund for any municipal financial year under sub-section (3B) which is greater than \$1 000 000 and which is not required to be retained in that fund under sub-section (3C)”.

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