

minutes

Major Projects and Finance Committee

MEETING HELD ON **MONDAY 13 JULY 2020**

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CITY OF JOONDALUP

MINUTES OF THE MAJOR PROJECTS AND FINANCE COMMITTEE MEETING HELD IN COUNCIL CHAMBERS, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON MONDAY 13 JULY 2020.

ATTENDANCE

Committee Members

Cr John Logan	<i>Presiding Member</i>	
Mayor Hon. Albert Jacob, JP		
Cr John Raftis	<i>Deputy Presiding Member</i>	<i>from 6.00pm</i>
Cr Russell Poliwka		
Cr Tom McLean, JP		
Cr Nige Jones		

Observers

Cr Philippa Taylor	<i>from 5.47pm</i>
Cr John Chester	

Officers

Mr Garry Hunt	Chief Executive Officer	
Mr Nico Claassen	Director Infrastructure Services	<i>from 5.47pm</i>
Mr Mat Humfrey	Director Corporate Services	
Mr Brad Sillence	Manager Governance	
Mr Blignault Olivier	Manager City Projects	
Mrs Vivienne Stampalija	Governance Coordinator	
Mrs Wendy Cowley	Governance Officer	

DECLARATION OF OPENING

The Presiding Member declared the meeting open at 5.46pm.

DECLARATIONS OF INTEREST**Disclosures of Financial / Proximity Interest**

Nil.

Disclosures of interest affecting impartiality

Elected Members (in accordance with Regulation 11 of the *Local Government [Rules of Conduct] Regulations 2007*) and employees (in accordance with the Code of Conduct) are required to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making process. The Elected Member/employee is also encouraged to disclose the nature of the interest.

Name/Position	Mr Mat Humfrey, Director Corporate Services.
Item No./Subject	Item 6 - Edgewater Quarry - Project Status.
Nature of interest	Interest that may affect impartiality.
Extent of Interest	Mr Humfrey is a former member of the Edgewater Quarry Community Reference Group and resides in Edgewater.

Cr Taylor entered the meeting room at 5.47pm.

The Director Infrastructure Services entered the meeting room at 5.47pm.

APOLOGIES / LEAVE OF ABSENCE**Apology:**

Cr Suzanne Thompson.

CONFIRMATION OF MINUTES**MINUTES OF THE MAJOR PROJECTS AND FINANCE COMMITTEE HELD ON 4 MAY 2020**

MOVED Mayor Jacob, SECONDED Cr McLean that the minutes of the meeting of the Major Projects and Finance Committee held on 4 May 2020 be confirmed as a true and correct record.

The Motion was Put and

CARRIED (5/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean and Poliwka.

ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

Nil.

IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

In accordance with Clause 5.2 of the City's *Meeting Procedures Local Law 2013*, this meeting was not open to the public.

PETITIONS AND DEPUTATIONS

Nil.

REPORTS**ITEM 1 2019-20 CAPITAL WORKS PROGRAM UPDATE**

WARD	All
RESPONSIBLE DIRECTOR	Mr Nico Claassen Infrastructure Services
FILE NUMBER	107023, 101515
ATTACHMENTS	Attachment 1 Capital Works Project Report 2019-20 Attachment 2 Moolanda Park Landscape Master Plan Attachment 3 Whitfords Nodes Park Health & Wellbeing Hub Attachment 4 Burns Beach to Mindarie Dual Use Path Attachment 5 Joondalup City Centre Lighting Attachment 6 Ellersdale Park Floodlighting Upgrade Attachment 7 Falkland Park Extension Attachment 8 Works Operations Centre (WOC) Extension Attachment 9 Craigie Leisure Centre Upgrades Stage 1 Attachment 10 Chichester Park Clubrooms Redevelopment Attachment 11 Percy Doyle Floodlighting Upgrades
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

PURPOSE

For the Major Projects and Finance Committee to note the update on the *2019-20 Capital Works Program* and the bi-monthly project status reports for capital works projects.

EXECUTIVE SUMMARY

The Capital Works Project Report for the 2019-20 program as at 31 May 2020 is attached (Attachment 1 refers).

At the Major Projects and Finance Committee meeting held on 15 July 2019 the committee determined which capital works project reports were required and the frequency of reporting. The bi-monthly project reports are attached (Attachments 2-11 refer).

It is therefore recommended that the Major Projects and Finance Committee NOTES:

- 1 *the report on the Capital Works Projects for 2019-20 as at 31 May 2020 forming Attachment 1 to this Report;*
- 2 *the bi-monthly capital works project reports forming Attachments 2 to 11 to this Report.*

BACKGROUND

At its meeting held on 4 November 2019 (JSC03-11/19 refers), Council resolved, in part as follows:

“That Council:

“1 BY AN ABSOLUTE MAJORITY ESTABLISHES a Major Projects and Finance Committee, with the role being to:

- 1.1 oversee the progress of the City’s annual capital works program and review of the City’s Five Year Capital Works Program;*
- 1.2 make recommendations to Council on modifications of capital works projects and major strategic capital projects;”*

At its meeting held on 15 July 2019 the Major Projects and Finance Committee requested that the following project reports from the *2019-20 Capital Works Program* be provided on a bi-monthly basis:

Project Code	Project Description
PDP2118	Moolanda Park Landscape Master Plan
PEP2707	Whitfords Nodes Park Health & Wellbeing Hub
SSE2057	Leafy City Program
FPN2240	Burns Beach to Mindarie Dual Use Path
STL2003	Joondalup City Centre Lighting
STL2073	Ellersdale Park Floodlighting Upgrade
BCW2622	Falkland Park Extension
MPP2026	WOC Extension
MPP2050	Craigie Leisure Centre Upgrades Stage 1
MPP2058	Chichester Park Clubrooms Redevelopment
MPP2065	Percy Doyle – Sorrento Bowling Clubrooms Extension
MPP2069	Percy Doyle Floodlighting Upgrades

The following projects which required a bi-monthly project report were completed and the final reports presented to the Major Projects and Finance Committee held on 9 March 2020:

- Leafy City Program.
- Percy Doyle Sorrento Bowling Clubrooms Refurbishment.

DETAILS

The Capital Works Project Report for the 2019-20 program as at 31 May 2020 is provided as Attachment 1 to this Report.

A summary of the projects and their current status is detailed in the bi-monthly project reports forming Attachments 2-11 to this Report.

The following projects which required a bi-monthly project report have now been completed and no further reports will be provided:

- Ellersdale Park Floodlighting Upgrade.
- Falkland Park Extension.
- Works Operations Centre (WOC) Extension.

Issues and options considered

Not applicable.

Legislation / Strategic Community Plan / Policy implications

Legislation

Sections 5.17 and 6.8 of the *Local Government Act 1995*.

A committee cannot make decisions, on behalf of the Council, that require an absolute majority decision (section 5.17 of the *Local Government Act 1995*), in which case, and in accordance with Section 6.8 of the *Local Government Act 1995*, includes approving expenditure not included in the City's Annual Budget. The Major Projects and Finance Committee may only recommend to Council to approve or modify capital works projects.

Strategic Community Plan

Key theme Financial Sustainability.

Objective Major project delivery.

Strategic initiative Not applicable.

Policy Not applicable.

Risk management considerations

Not applicable.

Financial / budget implications

Not applicable.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

Not applicable.

COMMENT

The attached capital works project reports provide an update on the activities undertaken.

VOTING REQUIREMENTS

Simple Majority.

MOVED Cr Jones, SECONDED Cr McLean that the Major Projects and Finance Committee NOTES:

- 1 the report on the Capital Works Projects for 2019-20 as at 31 May 2020 forming Attachment 1 to this Report;**
- 2 the bi-monthly capital works project reports forming Attachments 2 to 11 to this Report.**

The Motion was Put and

CARRIED (5/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean and Poliwka.

Appendix 1 refers

To access this attachment on electronic document, click here: [Attach1agnMPF200713.pdf](#)

ITEM 2 **CAPITAL WORKS PROJECT REPORTING FOR 2020-21**

WARD	All
RESPONSIBLE DIRECTOR	Mr Nico Claassen Infrastructure Services
FILE NUMBER	107023, 101515
ATTACHMENT	Attachment 1 <i>2020-21 Capital Works Program</i>
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

PURPOSE

For the Major Projects and Finance Committee to determine which projects in the *2020-21 Capital Works Program* may require separate reports to be submitted to the committee on a bi-monthly basis.

EXECUTIVE SUMMARY

At its meeting held on 30 June 2020 (JSC07-06/20 refers), Council adopted the *2020-21 Capital Works Program*. To assist the committee in determining which projects they may require project reports for, a copy of the *2020-21 Capital Works Program* is provided as Attachment 1 to this Report. In addition, this report proposes projects for which the committee may require project reports.

BACKGROUND

At its meeting held on 4 November 2019 (JSC03-11/19 refers), Council resolved, in part as follows:

“That Council:

- “1 BY AN ABSOLUTE MAJORITY ESTABLISHES a Major Projects and Finance Committee, with the role being to:*
- 1.1 oversee the progress of the City’s annual capital works program and review of the City’s Five Year Capital Works Program;*
 - 1.2 make recommendations to Council on modifications of capital works projects and major strategic capital projects;”*

DETAILS

At its meeting held on 30 June 2020 (JSC07-06/20 refers), Council adopted the *2020-21 Capital Works Program*. To assist the committee in determining which projects it may require project reports for, a copy of the *2020-21 Capital Works Program* is provided as Attachment 1 to this Report. This report also suggests projects which the committee may wish to consider for project reporting.

Based upon the high profile, impact on the community and the scale of the budget it is proposed that project reports be provided on a bi-monthly basis for the following projects:

Project Code	Project Description
BCW2562	Ellersdale Park Clubrooms Refurbishment
PDP2118	Moolanda Park Landscape Master Plan
PEP2707	Whitfords Nodes Park Health & Wellbeing Hub
SSE2057	Leafy City Program
FPN2240	Burns Beach to Mindarie Dual Use Path
STL2003	Joondalup City Centre Lighting
MPP2050	Craigie Leisure Centre Upgrades Stage 1
MPP2058	Chichester Park Clubrooms Redevelopment
MPP2069	Percy Doyle Floodlighting Upgrades

Issues and options considered

The options available to the Major Projects and Finance Committee are:

- accept the proposed projects for project reporting
- not accept the proposed projects for project reporting
or
- vary the proposed projects for project reporting.

Legislation / Strategic Community Plan / Policy implications**Legislation**

Sections 5.17 and 6.80 of the *Local Government Act 1995*.

A Committee cannot make decisions, on behalf of the Council, that require an absolute majority decision (section 5.17 of the *Local Government Act 1995*), in which case, and in accordance with Section 6.8 of the *Local Government Act 1995*, includes approving expenditure not included in the City's Annual Budget. The Major Projects and Finance Committee may only recommend to the Council to approve or modify capital works projects.

Strategic Community Plan**Key theme**

Financial Sustainability.

Objective Major project delivery.

Strategic initiative Not applicable.

Policy Not applicable.

Risk management considerations

Not applicable.

Financial / budget implications

Not applicable.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

Not applicable.

COMMENT

An update on capital works activities will be submitted to the Major Projects and Finance Committee on a bi-monthly basis.

VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION

That the Major Projects and Finance Committee REQUESTS that detailed reports on the following Capital Works Projects are provided on a bi-monthly basis:

- 1 Ellersdale Park Clubrooms Refurbishment;
- 2 Moolanda Park Landscape Master Plan;
- 3 Whitfords Nodes Park Health & Wellbeing Hub;
- 4 Leafy City Program;
- 5 Burns Beach to Mindarie Dual Use Path;
- 6 Joondalup City Centre Lighting;
- 7 Craigie Leisure Centre Upgrades Stage 1;

8 Chichester Park Clubrooms Redevelopment;

9 Percy Doyle Floodlighting Upgrades.

MOVED Mayor Jacob, SECONDED Cr Jones that the Major Projects and Finance Committee REQUESTS that detailed reports on the following Capital Works Project are provided on a bi-monthly basis:

1 Ellersdale Park Clubrooms Refurbishment;

2 Moolanda Park Landscape Master Plan;

3 Whitfords Nodes Park Health & Wellbeing Hub;

4 Leafy City Program;

5 Burns Beach to Mindarie Dual Use Path;

6 Joondalup City Centre Lighting;

7 Craigie Leisure Centre Upgrades Stage 1;

8 Chichester Park Clubrooms Redevelopment;

9 Percy Doyle Floodlighting Upgrades;

10 Emerald Park Lighting and Community Facility Upgrades.

The Motion was Put and

CARRIED (5/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean and Poliwka.

Appendix 2 refers

To access this attachment on electronic document, click here: [Attach2agnMPF200713.pdf](#)

**ITEM 3 CHICHESTER PARK, WOODVALE - PROPOSED
COMMUNITY SPORTING FACILITY**

WARD	Central
RESPONSIBLE DIRECTOR	Mr Mat Humfrey Corporate Services
FILE NUMBER	00428, 101515, 03179
ATTACHMENTS	Attachment 1 Chichester Park Aerial Map Attachment 2 Existing Clubroom Floorplan Attachment 3 Proposed Site Concept Plan Attachment 4 Proposed Facility Floorplan Attachment 5 Proposed Facility Elevations Attachment 6 Proposed Facility Perspectives
AUTHORITY / DISCRETION	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

PURPOSE

For Council to consider the additional funds required for the proposed community sporting facility and other supporting infrastructure at Chichester Park, Woodvale.

EXECUTIVE SUMMARY

Chichester Park located on Trappers Drive, Woodvale is classified as a district park and includes two active sport playing fields (north and south), a clubroom, floodlighting, car parking, disc golf course and a playground. As a district park, the playing fields and infrastructure service the local area and several surrounding suburbs. Currently, five sporting clubs hire the playing fields and the clubroom. The clubroom was constructed in 1992 and consists of a small meeting room, kitchen, toilets, change rooms and user group storage.

Due to the existing clubroom facility's functionality, size, layout and location issues, it was proposed that a new community sporting facility is developed. The existing car parking provisions and drainage issues on the southern playing field were also investigated as part of the project.

At its meeting held on 18 April 2017 (CJ063-04/17 refers), Council considered the project and requested community consultation be undertaken to determine the level of support for the redevelopment of Chichester Park. In July / August 2017, the City undertook community engagement on the proposed project. Given the support from the community (over 90% of respondents supported the redevelopment), at its meeting held on 10 October 2017 (CJ169-10/17 refers), Council requested the development of concept plans for the project.

Concept plans were developed for the project which proposed to replace the existing building with a new two storey community sporting facility including four change rooms; umpire room; first aid room; toilets; kitchen; meeting room; associated storage and a covered verandah area. The project also proposed a new BBQ / picnic area, underground drainage for the southern playing field and additional car parking provisions. The total project was estimated at \$4,159,170.

At its meeting held on 20 November 2018 (CJ208-11/18 refers), Council considered the proposed plans, approved the project to proceed and requested further community engagement be conducted. In March / April 2019, the City undertook further community engagement on the proposed project. Given the support from the community (over 92% of respondents supported the main components of the redevelopment), at its meeting held on 17 September 2019 (CJ124-09/19 refers), Council endorsed an application be made to the Department of Local Government, Sport and Cultural Industries (DLGSCI) for funding through the Community Sporting and Recreation Facilities Fund (CSRFF) grant program seeking a contribution to the project.

The CSRFF program aims to increase participation in sport and recreation with an emphasis on physical activity, through the rational development of good quality; multipurpose; well designed and well utilised facilities.

In February 2020, the City received notification from the Department of Local Government, Sport and Cultural Industries (DLGSCI) that it was successful in securing a grant contribution of \$400,000 of the requested \$1,093,790. This leaves a project shortfall of \$693,790.

The design of the proposed redevelopment at Chichester Park includes a variety of interrelated components. Modifying the design or the scope of the project in order to reduce the budget would have a significant impact on the project, therefore it is not recommended to remove any proposed project components. It is also not recommended to reduce the proposed number of change rooms (four). These changing facilities will service both the northern and southern playing field. The southern playing field accommodates three soccer pitches so there is a high demand for change rooms. In addition, there has been an increase in women's sport participation and there is a need to ensure there is adequate change facilities to accommodate this.

At its meeting held on 17 March 2020 (CJ037-03/20 refers), Council considered the outcome of the CSRFF grant and deferred the consideration of funding the project shortfall to explore other funding opportunities.

Since that time, no alternative funding opportunities have been identified. Therefore, based on the classification of the park (district park); heavy utilisation of the southern playing field and inadequate existing facilities; it is recommended the City fund the \$693,790 project shortfall to better service the sporting clubs and local wider community's needs.

It is therefore recommended that Council REQUESTS an additional \$693,790 be listed for consideration in 2021-22 of the City's Five Year Capital Works Program and 20 Year Strategic Financial Plan for the Chichester Park project.

BACKGROUND

Suburb/Location	Chichester Park (south oval) 109 Trappers Drive Woodvale WA 6026.
Applicant	City of Joondalup.
Owner	Crown Land – City of Joondalup Management Order.
Zoning	Public Open Space.
LPS 3	
MRS	Urban.

Site area	81,666.4m ² .
Structure plan	Not applicable.

Chichester Park located on Trappers Drive, Woodvale (Attachment 1 refers) is approximately 8.2 hectares (southern playing field) and is classified as a district park. The park includes two active sport playing fields (north and south), a clubroom, floodlighting, disc golf course, car parking and a playground.

The clubroom (Attachment 2 refers) was constructed in 1992 and consists of a small meeting room, kitchen, toilets, change rooms and user group storage. In 2008-09 the facility was refurbished with a new kitchen, renovated change rooms, painting and user group storage. In 2017 the Kingsley Westside Soccer Club extended the undercover spectator viewing area on the western side of the building as part of a club funded facility upgrade application. The current size, location and layout of the existing clubroom facility is considered poor and it is not well utilised due to the size and condition of the existing meeting room and kitchen; limited available storage; size and location of the existing change rooms; and drainage issues around the facility.

The northern playing field is used by the adjacent school (North Woodvale Primary School) as part of a “shared use” agreement with the City. The southern playing field is one of the most heavily utilised sporting grounds in the City with parking issues at peak usage times. It is used predominantly for soccer with the ability to hold three soccer pitches. There are drainage issues on the southern playing field during winter which impacts sporting club usage of the area. Also, irrigation filtration could be improved on the southern playing field to address the high iron issues.

The playground was upgraded in 2009 and an upgrade of the sports floodlighting on the southern playing field was completed in July 2016.

There are no annual hire groups of the existing clubroom facility due to the size, location and layout issues. The meeting room is one of the City’s least utilised rooms (9.01% utilisation rate in 2018). The southern playing field is one of the City’s most highly utilised active reserves (70% utilisation rate in peak periods during winter 2018). There are five sporting clubs with 1,315 registered members that currently use Chichester Park:

- Kingsley Westside Soccer Club.
- Woodvale Football Club (soccer).
- WA Christian Football Association (soccer).
- Kingsley Woodvale Junior Cricket Club.
- Kingsley Woodvale Cricket Club.

The City first identified the need to redevelop Chichester Park in 2010 and allocated funds within the *20 Year Strategic Financial Plan (SFP)* for the project. At its meeting held on 15 July 2014 (CJ116-07/14 refers), Council considered the 2014 active reserve and community facility review report and a list of redevelopment projects with a recommended priority order which was agreed to be considered as part of the City’s future *Five Year Capital Works Program* and *SFP*. The Chichester Park project was listed as the next redevelopment project to be undertaken due to the heavy utilisation of the southern playing field and as a district park, it should have an appropriate level of infrastructure to support user group needs.

At its meeting held on 18 April 2017 (CJ063-04/17 refers), Council agreed to commence the project and requested community consultation be undertaken to determine the level of support for the redevelopment of Chichester Park.

In July / August 2017, community engagement was undertaken with over 90% of respondents supporting the redevelopment. At its meeting held on 10 October 2017 (CJ169-10/17 refers), Council requested the development of concept plans for the Chichester Park project with the inclusion of the following:

- Redevelopment of the existing clubroom into a new community sporting facility.
- Investigation of car parking provisions.
- Investigation of drainage issues on the southern playing field.

A facility floor plan, site concept plan, elevations and perspectives (Attachments 3 to 6 refer) were developed for the project which proposed to replace the existing building with a new two storey community sporting facility including four change rooms; umpire room; first aid room; toilets; kitchen; meeting room; associated storage and a covered verandah area. The project also proposed a new BBQ / picnic area, underground drainage for the southern playing field and additional car parking provisions. The total project was estimated at \$4,159,170.

At its meeting held on 20 November 2018 (CJ208-11/18 refers), Council considered the proposed plans, approved the project to proceed and requested further community engagement be conducted.

In March / April 2019, the City undertook further community engagement on the proposed project with over 92% of respondents supporting the main components of the redevelopment. At its meeting held on 20 August 2019 (CJ109-08/19 refers), Council noted the results of the community engagement. At its meeting held on 17 September 2019 (CJ124-09/19 refers), Council endorsed an application be made through the CSRFF grant program seeking a contribution to the project.

The Western Australian Government, through the DLGSCI provides financial assistance to local government authorities and sport and recreation clubs through the CSRFF program which aims to increase participation in sport and recreation with an emphasis on physical activity, through the rational development of good quality, multipurpose; well designed and well utilised facilities. The State Government allocates \$12 million per year for the CSRFF program which considers a contribution of up to one-third for eligible components of a project that demonstrate they will increase sport participation.

In February 2020, the City received notification from the DLGSCI that it was successful in securing a grant contribution of \$400,000 of the requested \$1,093,790. The DLGSCI advised that the full amount requested was not granted as the funding round was significantly oversubscribed and therefore components of the project that would directly impact physical activity were prioritised. The grant contribution of \$400,000 reflects what the DLGSCI assessed was the appropriate contribution to the project given this situation. This leaves a project shortfall of \$693,790.

The design of the proposed redevelopment at Chichester Park includes a variety of interrelated components. Modifying the design or the scope of the project in order to reduce the budget would have a significant impact on the project, therefore it is not recommended to remove any proposed project components. It is also not recommended to reduce the proposed number of change rooms (four). These changing facilities will service both the northern and southern playing field. The southern playing field accommodates three soccer pitches so there is a high demand for change rooms.

In addition, there has been an increase in women's sport participation and there is a need to ensure there is adequate change facilities to accommodate this.

At its meeting held on 17 March 2020 (CJ037-03/20 refers), Council considered the outcome of the CSRFF grant and deferred the consideration of funding the project shortfall to explore other funding opportunities. Also at this meeting, it was noted that the City would progress the project to detailed design and construction tender stage.

DETAILS

Since March 2020, no alternative funding opportunities have been identified. Therefore, based on the classification of the park (district park); heavy utilisation of the southern playing field and inadequate existing facilities; it is recommended the City fund the \$693,790 project shortfall to better service the sporting clubs and local wider community's needs.

The City has developed the documentation required to tender for architectural services for detailed design and construction management. If the project is supported, tender for these services will progress.

Issues and options considered

It is considered that Council has two options, to either agree or not to agree to fund the project shortfall required to progress the project.

If Council agrees to fund the project shortfall, the City will continue with detailed design and construction tender stage.

Legislation / Strategic Community Plan / Policy implications

Legislation Not applicable.

Strategic Community Plan

Key theme Community Wellbeing.

Objective Quality facilities.

Strategic initiative

- Support a long-term approach to significant facility upgrades and improvements.
- Understand the demographic context of local communities to support effective facility planning.
- Employ facility design principles that will provide for longevity, diversity and inclusiveness and where appropriate, support decentralising the delivery of City services.

Policy *Requests for New or Capital Upgrades to Existing Community Buildings Policy.*
Public Art Policy.
Asset Management Policy.
Community Consultation Policy.
Naming of Public Facilities.

Risk management considerations

If the project does not progress, the sporting clubs that use Chichester Park will continue to operate within the existing limited facility. Based on the classification of the park (district park); heavy utilisation of the southern playing field and inadequate existing facilities; a redevelopment is required to better service the sporting clubs and local wider community's needs. Furthermore, the clubroom will be nearing 30 years old at the time of the proposed redevelopment therefore it is considered appropriate to upgrade it.

Any capital project brings risks in relation to contingencies and over runs against original design. The capital cost estimate is based on concept designs and may differ once further detailed designs are undertaken for the project.

Financial / budget implications

The total estimated capital cost for the proposed project is \$4,159,170 which is currently included across 2019-20, 2020-21 and 2021-22 of the City's *Five Year Capital Works Program* and *20 Year Strategic Financial Plan* for the project. The project budget included a potential grant funding contribution of \$1,093,790 through the CSRFF program. The City was only successful in securing \$400,000 for the project, therefore there is a project shortfall of \$693,790.

At its meeting held on 20 November 2018 (CJ208-11/18 refers), Council considered the original financial projections for the project which were included in the report.

Adopted 20 Year Strategic Financial Plan

The adopted *20 Year Strategic Financial Plan* (SFP) has included the following assumptions for the project:

- Capital costs of \$4,159,170 (excluding escalation).
- Funding of grants \$1,093,790; reserves of \$2,965,380; municipal of \$100,000.
- Depreciation - \$65,000.
- Increase to operating cash expenses of \$30,000 and to operating income of \$3,000.

Impacts to City of funding the shortfall

The City could continue with the capital costs and make up the shortfall by using additional reserves. The impact of this on the City's financial targets and sustainability are as follows:

- City cash reserves – by June 2022 the SFP estimated a reserve balance of \$89.4 million, but this would reduce to \$88.7 million if it funded the project shortfall. With grant funding of \$400,000, this would require \$693,790 more from reserves, a total reserve funding of \$3,659,110. The increased funding of \$693,790 results in a total cash reduction of \$1.6 million due to the compounding effect of reduced earnings on cash reserves over a 20 year period.
- Operating results - this change would have very little impact. The SFP has factored in the depreciation and operating cash impacts of the project. The only impact on the operating results would be the reduced earnings on interest, although this would have a compounding impact. So, at 2025-26 for example the SFP projected an operating surplus of \$3,514,000 but the revised projections due to the lower grant would be \$3,480,000, a reduction of \$34,000. This still results in a projected operating surplus ratio of 1.9%, as per the SFP.

- Ratios - the SFP estimated an achievement of 24 out of 60 ratios over the 20 year period, this would not be affected by the reduced grant funding.

In summary, there is very little impact on the long-term financial sustainability to the City of funding the project shortfall using reserves - the City's key financial indicator, the operating surplus ratio, would not be affected. More importantly, there would be no need to consider changing any assumptions for rate increases because these are driven by service requirements and achieving a moderate operating surplus.

All amounts quoted in this report are exclusive of GST.

Regional significance

Not applicable.

Sustainability implications

Environmental

All facility redevelopment projects are planned to reduce the impact of the carbon footprint and consider environmental sustainability design features where possible within the project budget. In addition, the site concept plans have been developed with the aim of minimising the impact on important flora and fauna at Chichester Park. Four trees have been recommended for removal due to existing health and structural condition however, in preparation of the potential loss of these identified trees, the City planted 16 new trees during the 2018 winter tree planting program.

Social

The project has included two rounds of engagement with existing user groups and the local wider community to ensure that the proposed redevelopment represents the communities' diverse needs. Furthermore, the proposed development at the site considers access and inclusion principles and aims to enhance the amenity of the public space. One of the main challenges with the site is the contour / level changes which creates issues with access from the existing car park and compliance with access and inclusion requirements. To address this, a vehicle ramp and separate pedestrian pathways have been proposed to link the existing car park to the proposed new community sporting facility and park playing surface.

Economic

One of the main principles of the City's *masterplan framework* is the development of shared and multi-purpose facilities to avoid duplication and to reduce the ongoing maintenance and future capital expenditure requirements.

Consultation

Engagement for the project was conducted in accordance with the City's approved *Community Consultation Policy and Protocol*. At its meeting held on 10 October 2017 (CJ169-10/17 refers), Council considered the results of the initial community engagement for this project and at its meeting held on 20 August 2019 (CJ109-08/19 refers), Council considered the results of the second round of community engagement for this project.

COMMENT

The City has undertaken a number of community sporting facility developments over the last 10 years such as those at Seacrest Park, Sorrento; Forrest Park, Padbury; Bramston Park, Burns Beach; and Penistone Park, Greenwood.

The City identified Chichester Park as the next redevelopment project to be undertaken due to the existing clubroom facility functionality, size, layout and location issues and several challenges that have been identified in relation to the site. The park is one of eight district level parks within the City and the infrastructure supports five sporting clubs with 1,315 registered members. The works proposed at Chichester Park, is the final community sporting facility development currently planned to be undertaken by the City in the next 10 years.

The CSRFF program, aims to increase participation in sport and recreation with an emphasis on physical activity, through rational development of sustainable, good quality, well-designed and well-utilised facilities. The CSRFF program provides the City with an excellent opportunity to upgrade facilities and infrastructure with the support of the State Government.

The City was successful in securing a CSRFF grant contribution of \$400,000 of the requested \$1,093,790. Since March 2020, no alternative funding opportunities have been identified. Therefore, based on the classification of the park (district park); heavy utilisation of the southern playing field and inadequate existing facilities; it is recommended the City fund the \$693,790 project shortfall to better service the sporting clubs and local wider community's needs.

The design of the proposed redevelopment at Chichester Park includes a variety of interrelated components (new community sporting facility, additional car parking, drainage for the southern playing field and BBQ / picnic area). Modifying the design or the scope of the project in order to reduce the budget would have a significant impact on the project, therefore it is not recommended to remove any proposed project components. It is also not recommended to reduce the proposed number of change rooms (four). These changing facilities will service both the northern and southern playing field. The southern playing field accommodates three soccer pitches so there is a high demand for change rooms. In addition, there has been an increase in women's sport participation and there is a need to ensure there is adequate change facilities to accommodate this.

VOTING REQUIREMENTS

Simple Majority.

Cr Raftis entered the meeting room at 6.00pm.

MOVED Cr Poliwka, **SECONDED** Mayor Jacob that Council **REQUESTS** an additional \$693,790 be listed for consideration in 2021-22 of the City's *Five Year Capital Works Program* and *20 Year Strategic Financial Plan* for the Chichester Park project.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean, Poliwka and Raftis.

Appendix 3 refers

To access this attachment on electronic document, click here: [Attach3agnMPF200713.pdf](#)

ITEM 4 STATUS REPORT ON CITY FREEHOLD PROPERTIES PROPOSED FOR DISPOSAL AND POTENTIAL CROWN LAND ACQUISITIONS

WARD	All
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	63627, 101515
ATTACHMENTS	Attachment 1 Lot 803 (15) Burlos Court, Joondalup Attachment 2 Lot 12223 (12) Blackwattle Parade, Padbury Attachment 3 Lot 2277 (15) Selkirk Drive, Kinross Attachment 4 Lot 14564 (5) Ascot Way, Currambine Attachment 5 Lot 15074 (46) Warwick Road, Duncraig Attachment 6 City's Works Operation Centre Location Plan Attachment 7 Estimated Rates Revenue Information
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

PURPOSE

For the Major Projects and Finance Committee (the Committee) to consider the progress towards disposal of two City-owned freehold properties, the proposed investigations into the City's acquisition of three Crown land sites and alternative tenure arrangements for the City's Works Operation Centre.

EXECUTIVE SUMMARY

The City's land rationalisation project commenced with 14 City-owned properties considered surplus to requirements being prepared for disposal. Two sites were withdrawn from the project and to-date 11 sites have been sold with Table 1 below providing sales details.

A report on one of the two remaining properties to be sold - Lot 803 (15) Burlos Court, Joondalup (Lot 803) - was submitted to Council at its meeting held on 23 June 2020 (CJ076-06/20 refers). The report dealt with the outcome of the public notice period on an offer received from Bermen Property 5 Pty Ltd and the company's request for contract amendments. Council supported the sale of the site to the purchaser but under alternative conditions than those requested. Council's conditions have been provided to the purchaser.

Lot 12223 (12) Blackwattle Parade, Padbury (Lot 12223) also remains to be sold. Lot 12223 is a former Crown land acquisition is progressing towards disposal with a 'Request for Proposal' process being considered. Consultants experienced with this method of disposal are assisting the City (Attachment 2 refers).

Table 2 below provides additional information on the status of the City's proposed land disposals.

At its meeting held on 9 March 2020 (Item 2 refers), the Committee considered a report on three proposed Crown land acquisitions - Lot 2277 (15) Selkirk Drive, Kinross (Attachment 3 refers), Lot 14564 (5) Ascot Way, Currambine (Attachment 4 refers) and an area yet to be defined on the northern boundary of Lot 15074 (46) Warwick Road, Duncraig (Attachment 5 refers) - and supported investigations into concessional acquisition of these sites with the Department of Planning Lands and Heritage (DPLH). The application process to acquire Crown land commences with an internal assessment process and then the provision of a business case to the DPLH. The City is in the final stages of preparing a business case concerning Lot 2277 (15) Selkirk Drive, Kinross.

At the Committee meeting held on 9 March 2020 (Item 16 refers), support was also provided for the City to investigate alternative tenure arrangements concerning its leased area within Reserve 28971, Lot 8278, (922L) Ocean Reef Road, Craigie that accommodates the City's Works Operation Centre (Attachment 6 refers). Updates regarding the above four Crown land sites have been included in Table 3 in this report headed 'Potential Crown Land Acquisitions – Current Status.'

It is therefore recommended that the Major Projects and Finance Committee NOTES:

- 1 *the status report on the progress towards settlement of Lot 803 (15) Burlos Court, Joondalup and the disposal of Lot 12223 (12) Blackwattle Parade, Padbury;*
- 2 *the continued investigations into the City's concessional acquisition from the Department of Planning Lands and Heritage of Lot 2277 (15) Selkirk Drive, Kinross, Lot 14564 (5) Ascot Way, Currambine and an area yet to be defined on the northern boundary of Lot 15074 (46) Warwick Road, Duncraig;*
- 3 *the investigations that have commenced into seeking alternative tenure arrangements for the land the City leases from the Water Corporation within Reserve 28971, Lot 8278, (922L) Ocean Reef Road, Craigie;*
- 4 *that a further status report on the progress of the City's freehold land disposal project and proposed Crown land acquisitions will be submitted to the Major Projects and Finance Committee meeting to be held on Monday, 7 September 2020.*

BACKGROUND

In 2010, investigations commenced into the potential disposal of 14 City-owned freehold sites that were considered surplus to requirements. A Council decision was that their future land use should be for unit developments for people over age 55, allowing residents the opportunity to 'age in place.' A restricted zoning reinforced this land use, in addition to the inclusion of conditions in the related contracts of sale that also prevented the future rezoning of the sites.

Lot 181 (4) Rowan Place, Mullaloo (CJ096-05/12 refers) and Lot 971 (52) Creaney Drive, Kingsley (CJ103-06/14 refers) were two sites withdrawn from the project. Valuation evidence at the time (2013) indicated their combined value being in the vicinity of \$4.5 million.

Lot 12223 became available for disposal after being acquired in freehold from the State Government in June 2019.

Table 1 below provides the month sold and sale price for each property and Attachment 7 to this Report details the City's estimated rates revenue.

Table 1

Property	Date Sold	Sale Price
Lot 200 (18) Quilter Drive, Duncraig.	March 2013	\$ 1,350,000
Lot 766 (167) Dampier Avenue, Kallaroo.	March 2013	\$ 1,055,000
Lot 147 (25) Millport Drive, Warwick.	March 2013	\$ 1,340,000
Lot 613 (11) Pacific Way, Beldon.	March 2013	\$ 700,000
Lot 671 (178) Camberwarra Drive, Craigie.	March 2013	\$ 828,000
Part Lot 702 (11) Moolanda Boulevard, Kingsley.	August 2015	\$ 1,050,000
Lot 745 (103) Caridean Street, Heathridge.	December 2015	\$ 874,000
Lot 23 (77) Gibson Avenue, Padbury	December 2016	\$ 1,800,000
Lot 900 (57) Marri Road, Duncraig	July 2017	\$ 1,030,000
Lot 1001 (14) Camberwarra Drive, Craigie	December 2017	\$ 990,000
Lot 2 (20) Kanangra Crescent, Greenwood	May 2019	\$ 1,225,000
	TOTAL	\$12,242,000

Lot 803 (15) Burlos Court, Joondalup

Concerning the two remaining properties to be disposed of, Lot 803 received Council's in-principle support to an offer at its meeting held on 17 March 2020 (CJ040-03/20 refers) subject to considering submissions received during a public notice period of not less than two weeks.

At its meeting held on 23 June 2020 (CJ076-06/20 refers) it was reported that no submissions were received. Additionally, Council were also requested to consider contract condition amendments requested by the purchaser which were advised as being due to the uncertainty caused by the COVID-19 pandemic situation. The requested amendments were to allow the purchaser to terminate the contract at any time within six months from acceptance of the offer and in the event of termination, the deposit to be refunded to the purchaser within 30 days. Additionally, that settlement is within 60 days of the foregoing condition coming to an end.

After Council considered the purchaser's requested amendments, an alternative recommendation was proposed resulting in Council resolving as follows:

"That Council:

- 1 *NOTES that no submissions were received during the 15-day public notice period regarding the offer received by Bermen Property 5 Pty Ltd for Lot 803 (15) Burlos Court, Joondalup;*
- 2 *SUPPORTS the offer received from Bermen Property 5 Pty Ltd of \$1,675,000 inclusive of GST under the margin scheme;*

- 3 *SUPPORTS the offer received by Bermen Property 5 Pty Ltd being accepted on the following basis:*
- 3.1 *Bermen Property 5 Pty Ltd enters into an option to purchase Lot 803 (15) Burlos Court, Joondalup within a six-month period of the City's acceptance;*
- 3.2 *The option be granted on the basis a \$50,000 non-refundable deposit is payable to the City, should Bermen Property 5 Pty Ltd not enter into a binding contract and settlement within six months of their offer being accepted;*
- 3.3 *A binding contract and settlement can be entered into earlier than the time stipulated in part 3.2 above with mutual agreement between the City and Bermen Property 5 Pty Ltd, and should this occur the sum of \$50,000 would be credited to the purchase price;*
- 3.4 *If the option is not taken up, then the property be reviewed and readvertised at an appropriate time;*
- 4 *APPROVES that the funds received from the sale of Lot 803 (15) Burlos Court, Joondalup being allocated to the Strategic Asset Reserve."*

Lot 12223 (12) Blackwattle Parade, Padbury

On the assumption that Lot 803 (15) Burlos Court, Joondalup will proceed towards settlement and development, Lot 12223 (12) Blackwattle Parade, Padbury is the remaining City site to be sold. Subsequent to the City acquiring this former Crown land site, at its meeting held on 19 March 2019 (CJ031-03/19 refers) Council authorised the CEO to dispose of the property by public auction or private treaty, should public auction be unsuccessful.

The Committee noted at its meeting held on 15 July 2019 (Item 7 refers) that sale and development opportunities via a public tender process were to be examined concerning Lot 12223, as this method is also an option under section 3.58 of the *Local Government Act 1995* (the Act).

In the interim, the Committee has received updates on the progress towards disposal of Lot 12223 and the City's examination of a sales model that includes potential purchasers also providing intended development proposals.

At the meeting held on 9 March 2020 (Item 2 refers) concerning the three proposed Crown land acquisitions, the Committee resolved the following, in part that it:

- "3 *SUPPORTS investigations with the Department of Planning Lands and Heritage into the City's concessional acquisition of Lot 2277 (15) Selkirk Drive, Kinross, Lot 14564 (5) Ascot Way, Currambine and an area yet to be defined on the northern boundary of Lot 15074 (46) Warwick Road, Duncraig".*

Additionally, at the same meeting held on 9 March 2020 (Item 16 refers) concerning a confidential report to the Committee on the current arrangements for the leased area of land from the Water Corporation that accommodates the City's Works Operation Centre, the Committee resolved as follows:

- "1 *SUPPORTS the commencement of investigations with the Department of Planning Lands and Heritage on alternative land tenure options to the City's current lease agreement with the Water Corporation for the Works Operation Centre site;*

- 2 *NOTES that a further status report on the progress of investigations with the Department of Planning Lands and Heritage will be submitted to the Major Projects and Finance Committee meeting to be held on 4 May 2020.”*

DETAILS

Table 2

Property Details	Land Disposals – Current Status
<p>Attachment 1 refers</p> <p>Lot 803 (15) Burlos Court, Joondalup</p> <p>Land Area: 4,410m²</p> <p>Zoned: Residential Restricted Use – ‘Aged or Dependent Persons’ Dwellings/R60</p>	<p>The details of Council’s support for the disposal of the site at its meeting held on 23 June 2020 were provided to the City’s real estate agent for discussion with the purchaser.</p> <p>The City has received an amended contract of sale concerning Lot 803 which has been forwarded to the City’s solicitors acting on behalf of the City for the settlement process.</p> <p>Based on the options available in Council’s resolution concerning the purchase of the site, an update will be provided to the Committee at its next meeting.</p>
<p>Attachment 2 refers</p> <p>Lot 12223 (12) Blackwattle Parade, Padbury</p> <p>Land Area: 3,332m²</p>	<p>It was reported to the Committee at its meeting held on 4 May 2020 (Item 7 refers) that the City had appointed a consultant to assist with the sale of Lot 12223 where consideration is being given to the proposed purchasers also including development proposals.</p> <p>The risk analysis required for this project is almost finalised allowing progress to be made with the proposed selection criteria for the ‘Request for Proposal’ and how it is weighted. Some of the matters that will need to be taken into account by prospective purchasers are:</p> <ul style="list-style-type: none"> • traffic considerations • noise (from the development itself as well as any servicing/delivery requirements) • interface with surrounding residential properties • interface / relationship with the adjoining commercial centre • relationship to the City’s Local Commercial Strategy for the centre <p>Valuation advice will be required, as will legal advice regarding the resultant process and related documents.</p>

Table 3

Property Address	Proposed Crown Land Acquisitions – Current Status
<p>Attachment 3 refers</p> <p>Reserve Lot 2277 (15) Selkirk Drive, Kinross</p>	<p>Investigations have been supported by the Committee into the potential benefits should the City acquire at a concessional rate of 5% of the unimproved current market value, Lot 2277 (15) Selkirk Drive, Kinross (Lot 2277).</p> <p>Lot 2277 is a vacant 5000m² Crown land community purpose site for which the City has management. The Management Order states the purpose of the site is for “Community Purposes” only.</p> <p>For the DPLH to consider Crown land acquisitions, it has a preferred business case template to be followed as part of the application process. Any conditions resulting from the application, the City would need to meet or mitigate and if able to do so, the DPLH may provide its in-principle support to the acquisition subject to community consultation.</p> <p>The business case for Lot 2277 is near completion.</p>
<p>Attachment 4 refers</p> <p>Reserve 46865, Lot 14564 (5) Ascot Way, Currambine</p>	<p>Lot 14564 (5) Ascot Way, Currambine (Lot 14564) is a vacant 5106m² community purpose reserve that the City also manages for “Community Purposes” only.</p> <p>The same process as detailed above will apply to the potential acquisition of Lot 14564.</p> <p>The internal referral process has commenced.</p>
<p>Attachment 5 refers</p> <p>Percy Doyle Reserve, Lot 15074 (46) Warwick Road, Duncraig</p>	<p>As interest by two major commercial operators to acquire an area of land on the northern boundary of Lot 15074 (Attachment 5 refers) had been indicated, the Committee supported acquisition investigations with the DPLH at its meeting held on 9 March 2020 (Item 2 refers).</p> <p>Commercial operators dealing with the management of the COVID-19 pandemic situation has contributed to the City not yet receiving their proposals; however, this does not prevent the City continuing with the acquisition process.</p> <p>Investigations have previously taken place into the potential of a commercial use on the northern area of Percy Doyle Reserve as part of the <i>Percy Doyle Reserve Master Plan Project</i> which concluded in 2015 when an alternative approach was supported by Council (CJ061-01/15 refers).</p> <p>As reported to the Committee at its meeting held on 4 May 2020 (Item 7 refers) prior to a business case being prepared for the DPLH concerning Lot 15074, some of the issues highlighted in the first stage of the internal referral process will need further investigation.</p>

Property Address	Proposed Crown Land Acquisitions – Current Status
Attachment 6 Reserve 28971, Lot 8278, (922L) Ocean Reef Road, Craigie Works Operation Centre Leased Area: 2.72 hectares	Since the Committee's support at its meeting held on 9 March 2020 (Item 16 refers) to investigate with the DPLH on alternative land tenure options to the City's current lease agreement with the Water Corporation for the Works Operation Centre contact has been made with the DPLH for advice. It was recognised that ultimately the City would need to negotiate with the Water Corporation regarding the matter.

Issues and options considered

See Tables 2 and 3 above.

Legislation / Strategic Community Plan / Policy implications

Legislation Sections 3.58 and 3.59 of the *Local Government Act 1995*, together with the *Local Government (Functions and General) Regulations 1996* determine how a local government may dispose of property.

Strategic Community Plan

Key theme Quality Urban Environment.

Objective Quality built outcomes.

Strategic initiative Buildings and landscaping are suitable for the immediate environment and reflect community values.

Key theme Financial Sustainability.

Objective Financial Diversity.

Strategic initiative Identify opportunities for new income streams that are financially sound and equitable.

Policy *Asset Management Policy.*
Sustainability Policy.

Risk management considerations

Property disposal needs to comply with sections 3.58 and 3.59 of the *Local Government Act 1995*, which are designed to ensure openness and accountability in the land disposal process.

There is always the potential that the reserve price or latest market valuation on a City property will not be realised. Valuations are obtained from a licensed valuer. Sale of freehold land below current market valuations should not take place without the approval of Council.

Recommendations for acquisition and disposal of land are based on a combination of the best financial return, planning outcomes, and community benefit.

Financial / budget implications

As part of successful Crown land acquisition applications, the DPLH requires that any future land sale proceeds are to be expended on local capital community purpose projects and/or the provision of community projects or services for the local area.

The DPLH's advice concerning the City's acquisition of the former Crown land site, Lot 12223 (12) Blackwattle Parade, Padbury was that the proceeds on its future disposal are to be spent on capital / community projects in line with the definition of "Community Purposes" under *Local Planning Scheme No. 3*.

The associated main expenditure costs related to freehold land disposals are real estate commissions, legal and settlement fees, advertising costs, valuation costs, land surveying and costs related to subdivision / amalgamations.

Regional significance

Regional significance would apply to Percy Doyle Reserve as its size of 22.83 hectares classifies it as a regional park. It not only serves the local area but the surrounding suburbs in the northern corridor.

Sustainability implications

City freehold land and acquired Crown land that has been set aside for community use should not be disposed of without there being a nominated purpose addressing a community need.

Concessional Crown land acquisitions can potentially create additional and improved local amenity by the creation of community-supported land uses that may have not otherwise been an option. Possible benefits are the activation of vacant land, achieving significant sale proceeds to be focussed on local community capital improvements, services or projects and post-development of the land, generating a rates revenue stream.

Concerning the freehold land disposal project to date, Council has supported the restricted use of 'Aged or Dependent Persons' Dwellings' to provide alternative housing choices for the City's ageing population. Potentially, due to the diverse demographics of City residents facilitating the development of units for other cohorts of the community could be considered.

The sale proceeds from the eventual disposal of Lot 12223 (12) Blackwattle Parade, Padbury will be used for community projects.

Consultation

Public auction, public tender and private treaty methods have been used regarding the City's land disposal project. Advertising is a requirement with all three methods unless, in respect of private treaty, the disposal is exempt under Regulation 30 of the *Local Government (Functions and General) Regulations 1996*.

A 42-day statutory advertising period associated with rezoning amendments to LPS3 provided an opportunity for the community to make submissions on the future land use of the properties sold.

A public notice calling for submissions was served from 26 March 2020 for 15 days on the City's receipt of a private treaty offer from Bermen Property 5 Pty Ltd for Lot 803 (15) Burlos Court, Joondalup.

COMMENT

Lot 803 (15) Burlos Court, Joondalup has been conditionally purchased and the progress of the sale towards settlement will be reported to the Committee.

Work continues on the sales method being examined for Lot 12223 (12) Blackwattle Parade, Padbury. It is considered that having a rigorous disposal model that includes prospective purchaser's development intentions will be a good alternative disposal option for future City land disposals. Potentially, including design guidelines in the model might also be a consideration. It is unknown at this stage whether the current economic climate will have an adverse impact on the sale of this site.

Crown land concessional acquisition investigations are continuing and the outcome of the submission of the business case concerning Lot 2277 (15) Selkirk Drive, Kinross will assist with improving future applications. Business cases submitted to the DPLH need to clearly demonstrate what the expected community benefits will be.

VOTING REQUIREMENTS

Simple Majority.

MOVED Mayor Jacob, SECONDED Cr McLean that the Major Projects and Finance Committee NOTES:

- 1 the status report on the progress towards settlement of Lot 803 (15) Burlos Court, Joondalup and the disposal of Lot 12223 (12) Blackwattle Parade, Padbury;**
- 2 the continued investigations into the City's concessional acquisition from the Department of Planning Lands and Heritage of Lot 2277 (15) Selkirk Drive, Kinross, Lot 14564 (5) Ascot Way, Currambine and an area yet to be defined on the northern boundary of Lot 15074 (46) Warwick Road, Duncraig;**
- 3 the investigations that have commenced into seeking alternative tenure arrangements for the land the City leases from the Water Corporation within Reserve 28971, Lot 8278, (922L) Ocean Reef Road, Craigie;**
- 4 that a further status report on the progress of the City's freehold land disposal project and proposed Crown land acquisitions will be submitted to the Major Projects and Finance Committee meeting to be held on Monday, 7 September 2020.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean, Poliwka and Raftis.

Appendix 4 refers

To access this attachment on electronic document, click here: [Attach4agnMPF200713.pdf](#)

**ITEM 5 IMPACT ON 20 YEAR STRATEGIC FINANCIAL PLAN
OF REPORTS TO COUNCIL – JULY 2019 TO
JUNE 2020**

WARD	All
RESPONSIBLE DIRECTOR	Mr Mat Humfrey Corporate Services
FILE NUMBER	108316
ATTACHMENT	Attachment 1 <i>Impact on 20 Year Strategic Financial Plan of Reports to Council – July 2019 to June 2020</i>
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

PURPOSE

For the Major Projects and Finance Committee to note the impacts to the *20 Year Strategic Financial Plan* (20 Year SFP) of reports approved by Council for the period July 2019 to June 2020.

EXECUTIVE SUMMARY

A new quarterly report was introduced in January 2014, as part of the Chief Executive Officer's (CEO) Key Performance Indicators. The intention is to provide progressive updates between annual reviews of the 20 Year SFP by summarising the impacts on the 20 Year SFP of reports presented to Council.

This report covers all quarters of 2019-20. There are six reports that have a total net benefit of \$18.6 million.

During 2019-20 it has not been possible to provide quarterly updates for various reasons and as a result this report covers all quarters of 2019-20. It is now proposed that from now on the impacts are just reported on an annual basis.

It is therefore recommended that the Major Projects and Finance Committee NOTES six reports considered by Council for the period July 2019 to June 2020 that had an estimated net benefit over the life of the 20 Year Strategic Financial Plan of \$18.6 million.

BACKGROUND

A new report was introduced in January 2014, as part of the CEO's Key Performance Indicators. The intention is to provide progressive updates between annual reviews of the 20 Year SFP by summarising the impacts on the SFP of reports presented to Council. This report is for the whole of 2019-20.

The intent with this report is to provide quarterly updates, however for 2019-20 it has not been possible to provide quarterly updates due to various factors (committee meetings postponed during elections, meetings out of sync with quarterly timescales, urgent budget issues to contend with due to COVID-19). This report summarises all impacts for all quarters of 2019-20.

The 20 Year SFP is a long-term planning tool and evaluating impacts which are minor is of little relevance, therefore a minimum threshold has been applied where an impact of less than \$50,000 is not reported. The threshold of \$50,000 results in many of the reports being outside the scope of this analysis as they have a relatively small amount (for example planning fees) or have no financial impact at all. Consequently, most of the reports presented to Council have no impact on the 20 Year SFP.

DETAILS

Attachment 1 provides details of six reports between July 2019 and June 2020 that have an overall benefit of \$18.6 million as follows:

- Provision of Automatic External Defibrillators in Community Centres. A roll-out of 35 units is proposed at a cost each of \$2,500 so an initial impact is \$87,500. The overall 20 year impact is a cost of \$0.5 million, which includes replacement every eight years and escalation costs.
- Craigie Leisure Centre refurbishment project was approved. This will initially cost \$8.6 million but will provide increased income. The overall benefit in the 20 Year SFP is \$35.7 million.
- Installation of play space at Lacepede Park, Sorrento. Initial cost of \$160,000 with annual maintenance costs of \$2,250 per year. Total cost in the 20 Year SFP is \$0.4 million.
- Refurbishment works for Emerald Park Clubrooms. Additional cost of \$127,310 and increased operating costs of \$18,000 per year. Total cost in the 20 Year SFP is \$0.8 million.
- Penalty interest on unpaid rates not applied for March 2020 to June 2020. Estimated cost of \$79,336, total 20 year cost of \$0.2 million.
- Park Amenity Improvement Program. Additional cost of \$250,000 added each year, plus estimated \$20,000 in maintenance costs. Overall 20 year cost is estimated at \$15.2 million.

The table in Attachment 1 notes the impacts have been categorised as follows:

- \$18.6 million commitments made by Council.
- \$0.0 million other impacts including amounts that were informed by other bodies, or potential impacts for reports that have been noted, without a firm commitment having been made yet.

The 20 Year SFP impact is based on the following:

- Total estimated cash flows up to 2038-39.
- Includes inflation.
- Includes all whole-of-life costs such as capital expenditure, operating expenses, operating income, reserves, borrowings, interest payments and earnings on cash held.

As a result of calculating the impacts up to 2038-39 for total cash, the impact for each report is higher than the initial impact.

Issues and options considered

When the 20 Year SFP is next updated the decisions by Council as listed in Attachment 1 will be used to update the plan.

Legislation / Strategic Community Plan / policy implications**Legislation**

Local Government Act 1995.

Section 5.56 of the *Local Government Act 1995* provides that:

“(1) A local government is to plan for the future of the district.”

Strategic Community Plan**Key theme**

Financial Sustainability.

Objective

Effective management.

Strategic initiative

- Manage liabilities and assets through a planned, long-term approach.
- Balance service levels for assets against long-term funding capacity.

Policy

Not applicable.

Risk management considerations

The 20 Year SFP is based on many assumptions. There is a risk that those assumptions may not come to pass, however, it is a planning tool and the City is not committed to anything in the plan by virtue of endorsing it. Periodic review and continual update of the plan will ensure that it remains a relevant and useful document to manage the City's financial affairs into the future.

Financial / budget implications

The impact to the City up to 2038-39 of the reports approved between July 2019 and June 2020 is estimated to be a benefit of \$18.6 million. This impact is the total change in cash at the end of 2038-39.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

Not applicable.

COMMENT

This report provides a further enhancement to the long-term financial sustainability of the City by providing a progressive update on the impacts on the 20 Year SFP of Council decisions.

VOTING REQUIREMENTS

Simple Majority.

MOVED Cr McLean, SECONDED Mayor Jacob that the Major Projects and Finance Committee NOTES six reports considered by Council for the period July 2019 to June 2020 that had an estimated net benefit over the life of the *20 Year Strategic Financial Plan* of \$18.6 million.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean, Poliwka and Raftis.

Appendix 5 refers

To access this attachment on electronic document, click here: [Attach5agnMPF200713.pdf](#)

At its June 2020 meeting the EQCRG accepted that the draft preferred concept plan represented the group's aspirations for the development and agreed that the plan should be presented to Council, via the Major Projects and Finance Committee, to seek endorsement of the plan for community consultation.

It is therefore recommended that Council:

- 1 *NOTES that the Edgewater Quarry Community Reference Group accepted the draft preferred Edgewater Quarry Concept Plan forming Attachment 2 to this Report as representative of the agreed aspirations for the Edgewater Quarry Development;*
- 2 *ENDORSES the draft preferred Edgewater Quarry Concept Plan forming Attachment 2 to this Report for community consultation.*

BACKGROUND

Edgewater Quarry is a large undeveloped site covering approximately 17 hectares (Attachment 1 refers). The site is bound by Regatta Drive, Treetop Avenue and Joondalup Drive, Edgewater. The size, location and visibility of Edgewater Quarry where it abuts Joondalup Drive gives it the potential to be a significant development with high amenity.

The EQCRG was established by Council at its meeting held on 12 December 2017 (CJ209-12/17 refers) and consists of His Worship the Mayor, Elected Members for North Central Ward and 20 community representatives. The Terms of Reference endorsed by Council (CJ209-12/17 refers) are as follows:

- Examine the future options for the Edgewater Quarry site.
- Assist with the development of a concept plan.
- Identify and discuss the issues and concerns of the community and stakeholders around the options for the Edgewater Quarry site.
- Represents the interests of the wider community.
- Act as a conduit to disseminate information and feedback to and from the wider community.
- Liaise with extended networks and community groups to facilitate information sharing concerning Edgewater Quarry.

Since its establishment in December 2017 the EQCRG has met on five occasions to develop a draft preferred concept plan for the Edgewater Quarry development.

As previously reported to the Major Projects and Finance Committee at its meeting held on 9 March 2020 (Item 13 refers) and 4 May 2020 (Item 4 refers) over four workshops the following issues were identified and generally agreed for the development:

Housing type: Density – high quality, townhouse type development.
 Height – to reflect the site but generally three storeys.
 Streetscapes – up-market streetscapes with a balance of space and density.

Mixed use: Needs to create inviting and warm, safe places for people.
 Not fast food outlets or petrol stations.

Commercial: A mix of commercial land-uses include childcare and matching existing offerings on Joondalup Drive.
Café and tavern.
Educational (ECU) facility.

Environmental: Retention of valuable and sensitive vegetation with pedestrian and cycle access paths.

The City engaged town planning consultants Taylor Burrell Barnett to develop draft concept plans from three potential options prepared by the EQCRG and undertake preliminary financial feasibility analyses of the three plans.

The outcome of the above was presented to the Major Projects and Finance Committee at its meeting held on 9 March 2020 (Item 13 refers). The report presented to the Committee indicated that the preliminary financial analysis suggested that each of the three plans were financially viable.

During discussion the EQCRG identified the following key high level design outcomes that should be incorporated into the draft preferred concept plan:

- Optimise commercial development along Joondalup Drive.
- Incorporate space for a rectangular training field.
- Provide medium-density residential housing in the eastern area of the site.
- Provide higher-density residential housing in the central area of the site.
- Provide mixed-use development incorporating higher-density residential housing in the western area of the site.
- Consideration for how the east-west connector street can be designed to dissuade non-local through traffic. The concept plan illustrates the philosophy of designing the central portion of the street as a slow-speed (for example 20kph), shared-surface space whilst maintaining ease of wayfinding for east-west movement (pedestrians and drivers) and providing good passive surveillance over the open space areas from the people in the slow-moving vehicles.

At its meeting held on 4 May 2020 (Item 4 refers), it was agreed that the Major Projects and Finance Committee notes:

- 1 *the Edgewater Quarry Masterplan Project Status Report;*
- 2 *that a report, including a recommendation from the Edgewater Quarry Community Reference Group, on the draft concept plan for the Edgewater Quarry site will be presented to a future Council meeting, via the Major Projects and Finance Committee.*

Additional historical information on the Edgewater Quarry Masterplan projects is provided in Attachment 3 to this Report.

DETAILS

Taylor Burrell Barnett prepared a draft preferred concept plan (Attachment 2 refers) based on discussions and agreement of the EQCRG at Workshop No. 4 held on 4 March 2020.

The draft preferred concept plan was presented to the EQCRG at its meeting held in June 2020. During the preparation of the draft preferred concept plan, Taylor Burrell Barnett took into consideration the following key issues/constraints/opportunities identified by the EQCRG:

- Minimise/mitigate “rat run” from Regatta Drive through the development to Joondalup Drive (and reverse).
- Utilisation of poorly vegetated area fronting Joondalup Drive to be considered.
- Inclusion of a designated playing field for training purposes including community facilities and lighting.
- Incorporate the use of innovative treatments for draining areas.
- Building heights to be four storeys (high density residential) could potential be a contentious issue. Four storey buildings to be located in the centre of the development to minimise visual impact on surrounding and internal residents.
- Consider the inclusion of residential components within the retail/commercial precincts.

The draft preferred concept plan provides the following:

- Total residential dwellings: 229
 - Medium density: 20
 - High density: 144
 - Mixed use 65
- Total POS/conservation/drainage: 12.1319 ha
- Total commercial/mixed use: 2.0602 ha
- Traffic calming and design features through the centre of the development to minimise/mitigate the potential of a “rat run” from Regatta Drive through the development to Joondalup Drive (and reverse). These measures would create attractive, village centre-type design providing quality urban streetscapes with safe pedestrian thoroughfares.
- Training field with associated community facilities.
- Improved streetscape treatment.

The plan proposes commercial/retail fronting onto Joondalup Drive, with car parking behind the buildings. A mixed-use area fronting onto the main thoroughfare and community facilities adjacent to the proposed sports training field. The high density residential is located within the centre of the development with buildings overlooking the sports field and multi-use thoroughfare as well as overlooking the natural bushland to the south. The medium density residential (single block, town-house type development) is located to the east providing an attractive outlook on approach to the development (from Regatta Drive) while minimising the visual impact on surrounding properties.

The design provides pedestrian (and potentially cycle) access through the existing bushland and through the development with pockets of community amenities and spaces throughout.

Indicative images of the various precincts are provided in Attachment 4 to this Report.

Preliminary financial analysis

The preliminary financial feasibility was updated based on the draft preferred concept plan (Attachment 5 refers).

A 10 year discounted cashflow model was constructed for the updated preliminary financial analysis. This approach allows the initial investment and development costs to be considered alongside the land sales revenue, ongoing rates revenue and operational/maintenance costs, to identify a potential return on investment over the ten year timeframe.

The analysis sought to evaluate the overall attractiveness of the redevelopment project (for investment purposes) as well as test the ongoing financial sustainability of the proposal in terms of annual operating results. The following tables provide the outcome of the analysis.

Table 1: Land Use Summary – preferred draft concept plan

Land Use	Yield
Medium Density Residential	
Area (ha)	0.4542
Dwelling Yield	20
High Density Residential	
Area (ha)	0.8858
Dwelling Yield	144
Commercial / Retail	
Area (ha)	2.0602
Dwelling Yield	65
Public Open Space, Conservation & Drainage	
Area (ha)	12.1319
Road Reserve	
Area (ha)	1.4228
TOTAL (ha)	16.9549

Table 2: Land Use Summary – comparison to previous options

Land Use	Option 1	Option 2	Option 3	Draft Concept Plan
Medium Density Residential				
Area (ha)	0.4542	1.2251	0.4542	0.4542
Dwelling Yield	20	51	20	20
High Density Residential				
Area (ha)	0.8858	0.4956	0.8858	0.8858
Dwelling Yield	144	81	144	144
Commercial/Retail/Mixed-use				
Area (ha)	2.3237	1.3325	3.0330	2.0602
Dwelling Yield				65
POS and Drainage				
Area (ha)	11.8837	12.1411	11.6260	12.1319
Road Reserve				
Area (ha)	1.6102	1.9631	1.4228	1.4228
TOTAL (ha)	17.1576	17.1574	17.4218	16.9549

Table 3: Financial analysis outcome – draft preferred concept plan

Preferred Concept Plan	
Project Cost	\$ms (\$ 13.4)
Project Revenue	\$ 16.3
Peak Debt	\$ms (\$ 6.0)
Total Interest Repayments	\$000s (\$721.0)
Annual income	\$000s \$286.0
Annual Cash Expenses	(\$286.0)
Annual Depreciation	(\$ 61.0)
Annual Operating Surplus/(Deficit)	\$000s (\$61.0)
Internal Rate of Return	5%
Net Present Value	\$32,927

Note: The landscaping assumptions (included in the project cost) do not currently include an allowance for a toilet/changeroom facility or sports lighting for the proposed training field. This will be considered further if the project progresses and the project scope and costs are refined.

Table 4: Financial analysis outcome – comparison to previous options

	Option 1 164 dwellings Medium Commercial Yield	Option 2 132 dwellings Lowest Commercial Yield	Option 3 164 dwellings Highest Commercial Yield	Draft Preferred Concept Plan 164 dwellings
Project Cost	\$ms (\$ 11.9)	(\$ 12.2)	(\$ 12.2)	(\$ 13.4)
Project Revenue	\$ 17.3	\$ 18.0	\$ 19.8	\$ 16.3
Peak Debt	\$ms (\$ 10.4)	(\$ 10.6)	(\$ 10.6)	(\$ 6.0)
Total Interest	\$000s (\$761.0)	(\$704.0)	(\$476.0)	(\$721.0)
Repayments				
Annual income	\$000s \$299.0	\$221.0	\$338.0	\$ 286.0
Annual Cash Expenses	(\$245.0)	(\$268.0)	(\$234.0)	(\$286.0)
Annual Depreciation	(\$ 34.0)	(\$ 36.0)	(\$ 33.0)	(\$ 61.0)
Annual Operating Surplus/(Deficit)	\$ 20.0	(\$ 83.0)	\$ 71.0	(\$ 61.0)
Internal Rate of Return	11%	13%	20%	5%
Net Present Value	\$1.6 m	\$2.0 m	\$3.9 m	\$32,927

Variations from the original preliminary financial analysis of the three alternative options to the draft preferred concept plan are summarised as follows:

- There is a reduction in forecast sales revenue associated with a decrease in the net developable area to accommodate the sporting field and/or a decrease in medium density residential lots in favour of higher density lots.
- There is a significant increase in the landscaping allowance, following feedback from stakeholders in respect to the landscape amenity outcome, to reflect a higher landscape specification including the creation of the sporting field, an additional BBQ and seating area/structure, an increased budget for the nature play equipment (now \$600,000), an additional bore and improved streetscape treatment.
- There is an increased landscape maintenance cost to reflect the higher landscape specification.
- The civil engineering cost estimate has increased to include the introduction of a new brick-paved 'traffic calmed' road.
- The increased landscaping and road costs have increased the depreciation cost and this, together with the increase landscape maintenance cost, results in an annual operating deficit.
- The project Internal Rate of Return (IRR) and Net Present Value (NPV) have decreased. The NPV indicates a small positive, however, is effectively neutral. This indicates earning generated by the project effectively equal the anticipated costs.
- The analysis assumes the project is debt funded and an interest rate of 3.0% has been adopted for the purpose of the preliminary financial analysis.

The preliminary financial analysis suggests that after applying the current assumptions, the draft preferred concept plan is effectively cost neutral.

The preliminary financial analysis was limited to an assessment of project costs and revenue. It does not represent a cost benefit analysis of the proposed development and makes no assessment of non-financial incentives, including social or community benefit. A further detailed analysis is required to test the assumptions and will utilise a whole-of-life approach to ensure the project is financial sustainability both now and in the future.

Future actions

To inform the next iteration of the financial analysis and to ensure all possible opportunities and constraints are known, the following will need to be undertaken cognisant of the draft preferred concept plan:

- Project philosophy and parameters.
- Traffic and transport assessment.
- Retail and commercial needs analysis.
- Detailed geotechnical investigations.
- Environmental assessment.
- Social return on investment assessment.

It should be noted that, with the exception of the social return on investment assessment, the above investigations were carried out in 2013-14 for the previous concept plans developed by the City. It is therefore proposed that, following the recommended community consultation, these investigations be updated taking into consideration the 2020 draft preferred concept plan.

The City will continue to engage with the Department of Planning, Lands and Heritage on potential land tenure and assembly arrangements and a detailed risk assessment can be undertaken. Both these matters would inform future decisions on the project.

Issues and options considered

In accordance with the Terms of Reference endorsed by Council (CJ209-12/17 refers) the EQCRG assisted with the development of a draft preferred concept plan for the Edgewater Quarry development site.

Further, as noted by the Major Projects and Finance Committee at its meeting held on 4 May 2020 (Item 4 refers), a report, including recommendations from the EQCRG, on the draft concept plan would be presented to Council via the Major Projects and Finance Committee.

Three options have been identified:

- 1 Council determines not to progress with the Edgewater Quarry Masterplan project at this time.

This is not the preferred option.

- 2 Council approves the draft preferred concept plan for the purpose of undertaking further assessment/investigations (as indicated above).

This not the recommended option. It is considered that feedback from Council, the Major Projects and Finance Committee and the community may result in minor changes to the concept plan. Should the required additional work be carried out on the plan as presented with this report, changes made may require further updates/amendments to the resultant reports. This would result in additional costs to the City as well as a delay in progressing the project.

- 3 Council approves the draft preferred concept plan for the purpose of community consultation.

This is the recommended option. Following an inclusive and iterative process, the EQCRG has developed an agreed draft preferred concept plan. The EQCRG also agreed that the plan accurately represents the identified aspirations for the development, opportunities and constraints and preferred inclusions/exclusions.

Community consultation on the plan as presented will assist Council in determining the future direction of the project. Should the community support the plan, Council would then be able to make decisions on provisioning future resources to progress the project knowing this is a project that the community is in favour of. This process is similar to that which occurred for the Ocean Reef Marina project.

Feedback and comment on the draft preferred concept plan and the project in general would also assist with the preparation of a Project Philosophy and Parameters (to be endorsed by Council).

Legislation / Strategic Community Plan / Policy implications

Legislation	The City is governed by the requirements of the <i>Local Government Act 1995</i> in relation to dealings involving commercial undertakings and land development.
	Other applicable legislation includes:
	<ul style="list-style-type: none"> • <i>Planning and Development Act 2005.</i> • <i>Environmental Protection Act 1986.</i> • <i>Land Administration Act 1997.</i> • <i>Planning and Development (Local Planning Schemes) Regulations 2015.</i> • <i>Environmental Protection, Biodiversity and Conservation Act 1999 (Cwlth).</i>

Strategic Community Plan

Key theme	Financial Sustainability.
Objective	Major project delivery.
Strategic initiative	Support new projects that balance identified financial risks against effective management approaches.
Key theme	Economic Prosperity, Vibrancy and Growth.
Objective	Activity Centre development.
Strategic initiative	<ul style="list-style-type: none"> • Support the development of fresh and exciting de-centralised areas of activity. • Facilitate increased housing density in Activity Centres.
Key theme	Quality Urban Environment.
Objective	Quality built outcomes.

- Strategic initiative**
- Planning frameworks promote and support adaptive, mixed-use developments with active ground floor uses on appropriately zoned sites.
 - Environmentally sensitive building designs are showcased, promoted and encouraged.
 - Buildings and landscaping are suitable for the immediately and reflect community values.

Policy *Local Planning Scheme No. 3.*
Other local planning policies as applicable.

Risk management considerations

Following is a summary of the identified project risks relating to the key assumptions associated with the preliminary financial analysis, including possible mitigation strategies:

Assumption	Risk	Possible Mitigation Strategies
State Government land exchange (incl. Joondalup Drive road reserve basin) is at no cost to the City	If the State Government requires renumeration for the required land exchange, this will adversely impact project feasibility	Consultation with State government early in the project design phase; Staged process to close Joondalup Drive road reserve & incorporate into quarry site (if required); LGA-State Government Joint-Venture development arrangement
Timing of Revenue	A delay to the forecast land sales/settlement will defer project revenue and adversely impact project feasibility	Maximise the number of land presales prior to commencement of civil work; Diversification, optimisation & flexibility of lot/landuse product (eg. a change of some high density to medium density may positively affect revenue)
Magnitude of Revenue	The sensitivity analysis confirms that sales revenue is one of the most important factors impacting the project feasibility. A decrease in developable area or reduction in the assumed sales rate will adversely impact the project feasibility	Further market analysis to confirm market demand and optimal product mix; Limit the City's financial exposure through a development Joint-Venture arrangement or alternative structure
Civil Costs, including the Cost of Site Remediation	Site remediation is a significant civil cost component and the assumed cost is currently based on preliminary geotechnical investigations	Commencement of design and early engagement with service authorities will confirm/refine civil cost assumptions; Further geotechnical and environmental testing; Early consultation with contaminated site auditor to confirm efficacy of remediation approach

These risks will be expanded and included in the required detailed risk assessment which will form part of the next phase of the project (should the project proceed).

Financial / budget implicationsCurrent financial year impact

Account no.	220-A2201.
Budget Item	City Projects Operating – Edgewater Quarry Masterplan.
Budget amount	\$ 60,000
Amount spent to date	\$ -
Balance	\$ 60,000

The approved 2020-21 Budget provides for community consultation, technical assessments and refinement of the concept plan.

Future financial year impact and impacts on Strategic Financial Plan

The preliminary financial analysis of the draft preferred concept plan suggest a:

Positive cashflow over 10 years

NPV neutral/break-even

Minor operating deficit of less than \$100,000.

As previously indicated, should the project progress, a detailed financial analysis is required to test the current assumptions, and provide greater certainty on the impacts of the project (if it proceeds) on the City.

All amounts quoted in this report are exclusive of GST.

Regional significance

The community benefit and opportunity associated with the development of the Edgewater Quarry is considered to have regional significance. Should the project progress, an assessment of the community benefit will be undertaken.

Sustainability implications

Not applicable.

Consultation

The EQCRG was established to provide community input into the development of concept plans for the Edgewater Quarry Masterplan.

Should Council determine to approve the draft preferred concept plan for the purposes of community consultation, the City's consultation activities will be undertaken in line with the City's *Community Consultation Policy and Protocol*.

COMMENT

The draft preferred concept plan, prepared by Taylor Burrell Barnett, was prepared based on the outcomes of the EQCRG workshops. The consultant team took into consideration the development aspirations identified by the EQCRG, the preferred inclusions and exclusion and opportunities and constraints.

The EQCRG agreed that the draft preferred concept plan:

- adopts a mix of land uses that are compatible with adjoining land uses
- minimises the impact of noise, traffic and other considerations on adjoining properties
- protects the valuable and sensitive environmental values of the site
- creates public spaces that are inviting and valued by the broader community
- provides a development solution that is cost neutral to the City.

VOTING REQUIREMENTS

Simple Majority.

MOVED Cr Jones, SECONDED Mayor Jacob that Council:

- 1 NOTES that the Edgewater Quarry Community Reference Group accepted the draft preferred Edgewater Quarry Concept Plan forming Attachment 2 to this Report as representative of the agreed aspirations for the Edgewater Quarry Development;**
- 2 ENDORSES the draft preferred Edgewater Quarry Concept Plan forming Attachment 2 to this Report for community consultation.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean, Poliwka and Raftis.

Appendix 6 refers

To access this attachment on electronic document, click here: [Attach6agnMPF200713.pdf](#)

ITEM 7 CONFIDENTIAL - STATUS REPORT ON WARWICK COMMUNITY FACILITIES - WARWICK ACTIVITY CENTRE

WARD	All
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	105946; 63627, 101515
ATTACHMENTS	Attachment 1 Centre Location Plan Attachment 2 Warwick Community Facilities Attachment 3 Local Crown land sites (Please Note: <i>The Report and Attachments are Confidential and will appear in the Official Minute Book only</i>)
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

This report is confidential in accordance with Section 5.23(2)(h) of the *Local Government Act 1995*, which also permits the meeting to be closed to the public for business relating to the following:

- *Such other matters as may be prescribed.*

A full report was provided to Elected Members under separate cover. The report is not for publication.

MOVED Cr McLean, SECONDED Cr Poliwka that the Major Projects and Finance Committee:

- 1 NOTES the progress of the needs, planning and commercial analysis concerning the Warwick Community Facilities on Lot 3 (12) Dorchester Avenue, Warwick, Lot 920 (2) Dugdale Street, Warwick and Lot 905 (6) Dugdale Street, Warwick;**
- 2 NOTES that on finalisation of the of needs and feasibility study the outcome will be presented to Elected Members.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean, Poliwka and Raftis.

ITEM 8 CONFIDENTIAL - OCEAN REEF MARINA - PROJECT STATUS

WARD	North-Central
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	04171, 101515
ATTACHMENTS	Attachment 1 Summary of major project milestones Attachment 2 Draft Development Agreement Table of Contents Attachment 3 Risk Management Assessment <i>(Please Note: The Report and Attachments are Confidential and will appear in the Official Minute Book only)</i>
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

This report was confidential in accordance with Section 5.23(2)(c) of the *Local Government Act 1995*, which also permits the meeting to be closed to the public for business relating to the following:

- *A contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting.*

A full report is provided to Elected Members under separate cover. The report is not for publication.

MOVED Cr Jones, SECONDED Mayor Jacob that the Major Projects and Finance Committee NOTES:

- 1 the Ocean Reef Marina Project Status as detailed in this Report;**
- 2 a report on the preparation of the Ocean Reef Marina Development Agreement between the City and DevelopmentWA will be presented to the Major Projects and Finance Committee at a future meeting;**
- 3 a draft Ocean Reef Marina Business Plan will be presented to Council at a future meeting.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean, Poliwka and Raftis.

URGENT BUSINESS

Nil.

MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

REQUESTS FOR REPORTS FOR FUTURE CONSIDERATION

Nil.

CLOSURE

There being no further business, the Presiding Member declared the meeting closed at 7.28pm; the following Committee Members being present at that time:

Cr John Logan
Mayor Hon. Albert Jacob, JP
Cr John Raftis
Cr Russell Poliwka
Cr Tom McLean, JP
Cr Nige Jones