

Attachment 1



BUSINESS PLAN

FOR

THE PROPOSED LEASE OF LAND

for Construction of an

AT-GRADE CAR PARK

MARCH 2007

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1. INTRODUCTION

It is the City's intention to lease portions of Lot 451 Shenton Avenue, Joondalup from the Ministry for Justice and Legal Affairs.

The proposed lease of a site in the town centre of the City of Joondalup is identified as a major trading undertaking under Section 3.59 of the Local Government (Functions and General) Regulations 1996.

This section of the Act provides that all major trading undertakings require a business plan to be prepared prior to entering into the transaction.

Pursuant to Section 3.59 (Commercial Enterprises by Local Government) of the Local Government Act 1995, this business plan has been prepared for public exhibition and comment.

2. PROPERTY DESCRIPTION

2.1 Location of Site

The subject site known as Lot 451 Shenton Avenue, Joondalup is situated between McLarty Avenue and Grand Promenade to the east, Shenton Avenue and Reid Promenade to the south in the town centre of the City of Joondalup, which is approximately twenty six (26) kilometers north of the Perth Central Business District. The site is occupied by the Joondalup Police Station and the Joondalup Court House with supportive onsite and adjacent parking areas to service administration use and public parking requirements.

Existing public car parking outside of the site but adjacent to McLarty Avenue site boundary has previously been constructed at grade by the City of Joondalup on City of Joondalup owned land with connecting access from McLarty Avenue to the site. The Joondalup Health Campus is located immediately opposite, north of Shenton Avenue.

See Location Plan – Joondalup City Centre and Proposed Car park Lot 451 Shenton Avenue Joondalup and Site Plan of Proposed Lease Zones 1 and 2 Drawing No L-01/Rev 0 appended to this document.

2.2 Roads and Access

Access to the property is available from each of four side boundaries.

The proposed lease of Zones 1 and 3 adjacent to the Police Station building will utilize the existing access/egress from and to McLarty Avenue and permit an additional access/egress serviced from and to Shenton Avenue.

2.3 Services

All the usual public utilities are provided to the site including water, sewer, electricity, drainage, and telephone. Public transport is available on Shenton Avenue. Other amenities such as shops, schools, hospital, and other medical facilities are within walking distance. Lakeside Shopping Centre and Joondalup Railway Station are also within walking distance.

2.4 Topography

The proposed lease zones slope slightly from east to west and will utilize existing levels for construction of an at grade car park.

3.0 TITLE PARTICULARS

Crown Land Title Volume LR 3118 Folio 224

Land Description: Lot 451 on Diagram 76630

Status Order/Interest: Reserve under Management Order

Primary Interest Holder: Minister for Justice and Legal Affairs Western Square

141 St Georges Terrace, Perth

Property Street Address: Lot 451 Shenton Avenue, Joondalup

The primary interest holder is the only party permitted to enter into a lease over the site and only with the consent of the Western Australian Police.

Consent has been given in principle by the Department of the Attorney General (DOAG) to the City's proposal to add additional public car parking areas on the site subject to conditions raised by the Western Australian Police (WAPOL). This proposal meets with the approval of the Western Australian Police (WAPOL).

4.0 EXPECTED EFFECT ON THE PROVISION OF FACILITIES AND SERVICES BY THE LOCAL GOVERNMENT

It is considered that the introduction of further off street parking will enhance existing facilities and services provided by the Local Government within the CBD.

5.0 EXPECTED EFFECT ON OTHER PERSONS PROVIDING FACILITIES AND SERVICES IN THE DISTRICT

This section is not considered relevant as it is a specific function of Local Government to coordinate and make provision for car parking facilities.

6.0 EXPECTED FINANCIAL EFFECT ON THE LOCAL GOVERNMENT

6.1 Lease Consideration

The cost of entering into a lease for Zones 1 and 3 for the purpose of constructing a car park is considered to be in the order of \$1.00.

6.2 Funding for Constructing of the At Grade Carpark to Lease Zones 1 and 3

An estimate of cost for constructing the 110 bay on ground car park to Zones 1 and 3 was carried out by RBB Construction Cost Consultants on 27 July 2006 and after provision for consultants, escalation and other necessary scope items, it is estimated that a provision of \$800,000 to \$850,000 should be allowed.

The cost of carrying out the works and meeting the negotiated terms of lease will be considered as part of the City of Joondalup 2007/2008 Draft Budget for Capital Works.

6.3 Negotiated Terms of Lease

- 1. City to meet all costs of construction and ongoing maintenance for the term of the lease.
- 2. City to ensure proposed works do not compromise the Police Station's security.
- 3. City to indemnity the Western Australian Police Service for any liabilities resulting from this proposal.
- 4. Lease to be confined to Zone 1 and Zone 3 areas as located on Drawing No. L-01/Rev 0.
- 5. Final approval of the lease being obtained from the Commissioner of Police.
- 6. Approval of the lease being obtained from Minister, Department of Attorney General.
- 7. Term of lease to be 10 years of which the initial 5 years are to be fixed with the balance thereafter of the 10 year term being subject to a "break lease" clause, requiring the City to relinquish tenure on either or both zones should one or both zones be required for future redevelopment of the Police Station.
- 8. City reserves the right to introduce paid parking during the tenure of the lease.
- 9. City to enter into the lease for an agreed consideration of \$1.00.
- 10. Final documentation of proposed construction works to be submitted to the Western Australian Police Service and Department of Attorney General for approval prior to commencement of construction.

7.0 EXPECTED EFFECT ON MATTERS REFERRED TO IN THE LOCAL GOVERNMENT PLAN PREPARED UNDER SECTION 5.56

Section 5.56 of the Local Government Act provides for a general obligation to "plan for the future" of the district.

In compliance with this obligation, the City has prepared a Strategic Financial Plan 2006/2007 to 2009/2010 which was adopted by Council on 27 June 2006.

This plan mentions the City reviewing the Parking Occupancy Survey carried out in 2005 which identified the need for the provision of further public car parking in the north zone of the City Centre.

8.0 ABILITY OF THE LOCAL GOVERNMENT TO MANAGE THE UNDERTAKING OR THE PERFORMANCE OF THE UNDERTAKING

The City of Joondalup ordinarily administers many major trading transactions and contracts in the day to day management of its assets and community facilities.

In accordance with the City's management of designated projects, a Project Plan will be prepared in conjunction with an appointed Project Team to deliver the additional at-grade public car parking bays on behalf of the Council in compliance with meeting the terms and conditions of the lease.

This team will include specialist consultants to assist in the design, management, construction and commissioning of the project.

9. CONCLUSION

In order for the City of Joondalup to meet strategic objectives of planning for future growth of the City Centre and meeting community needs, lease of the subject site has been identified as opportune to increase current and future availability of public parking bays.

In the short term, the site would provide the opportunity of developing an at-grade car park delivering in the order of 110 bays for public use, with added flexibility of access from and egress to Shenton Avenue.

As demand and growth of the City Centre increases over the medium to longer term, the opportunity exists to incorporate paid parking.

The City recognizes that longer term planning is essential to ensure the City remains financially sustainable.

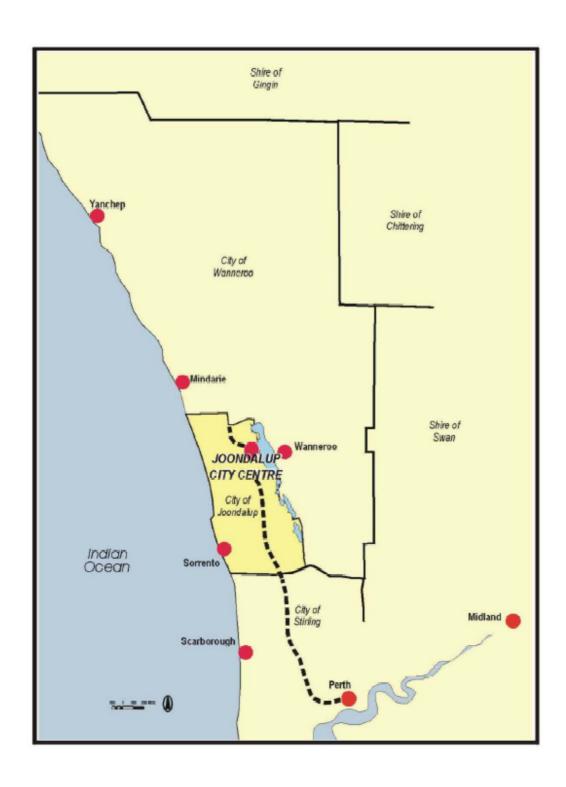
The lease of potions of Lot 451 Shenton Avenue to develop and increase existing at grade off street public parking will be an added contribution to the City's current available public parking in the north zone of the City Centre.

APPENDICES

- 1. Location Plan Joondalup City Centre
- Proposed Carpark Lot 451 Shenton Avenue Joondalup Site Plan of Proposed lease Zones 1 and 3 Drawing No L-01/Rev. 0
- 3 Invitation to Comment Details

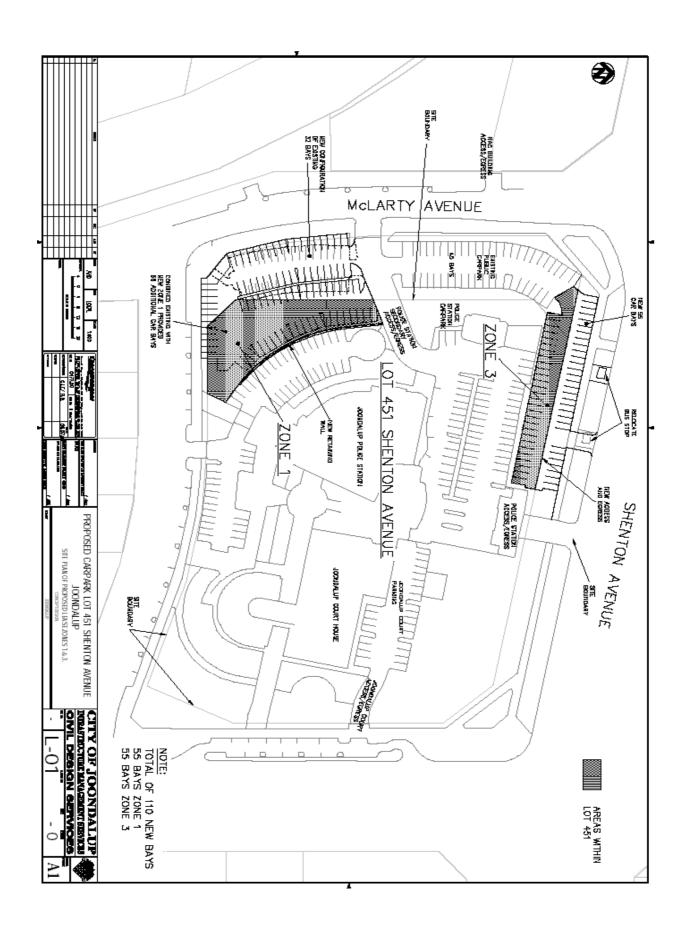
APPENDIX 1

LOCATION PLAN – JOONDALUP CITY CENTRE



APPENDIX 2

PROPOSED CARPARK LOT 451 SHENTON AVENUE JOONDALUP SITE PLAN OF PROPOSED LEASE ZONES 1 AND 3 DRAWING NO L-01/REV O



APPENDIX 3

INVITATION TO COMMENT DETAILS

YOUR COMMENTS ARE INVITED

The attached Business Plan provides details of the City of Joondalup's proposal to lease portion of Lot 451 Shenton Avenue, Joondalup from Ministry of Justice and Legal Affairs, for the construction of an at-grade car park.

If you have any comments on the Council's proposal please:

 Email your comments to the following address: <u>info@joondalup.wa.gov.au</u>

or

· Write your comments on the attached form.

Your comments should be with the Council by Monday.....

Should you need further information, please contact Abe Ashbil, Project Officer, City of Joondalup on 9400 4544, or if unavailable, contact Clayton Higham, Director Planning & Community Development on 9400 4445.

COMMENT FORM

То:	Chief Executive Officer City of Joondalup PO BOX 21 JOONDALUP WA 6027		
FROM:	Name:		
	Contact details		
	(including address)		
	Date:		
My comments and suggestions regarding the City of Joondalup's proposal to lease portion of Lot 451 Shenton Avenue, Joondalup for the construction of an at-grade car park are:			