

minutes

Major Projects Committee

MEETING HELD ON **MONDAY 3 OCTOBER 2016 AND
MONDAY 28 NOVEMBER 2016**

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CITY OF JOONDALUP

MINUTES OF THE MAJOR PROJECTS COMMITTEE MEETING HELD IN CONFERENCE ROOM 1, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON MONDAY 3 OCTOBER 2016.

ATTENDANCE

Committee Members

Mayor Troy Pickard	<i>Presiding Member</i>	
Cr Kerry Hollywood	<i>Deputy Presiding Member</i>	
Cr Nige Jones		<i>Absent from 8.30pm to 8.32pm</i>
Cr Russell Poliwka	<i>Deputising for Cr Gobbert</i>	<i>from 9.16pm; Absent from 9.18pm to 9.21pm</i>
Cr Mike Norman		
Cr John Chester		<i>Absent from 8.22pm to 8.24pm</i>
Cr Russ Fishwick, JP		<i>Absent from 8.38pm to 8.41pm</i>

Observers

Cr Tom McLean, JP	<i>Absent from 8.34pm to 8.36pm</i>
Cr Philippa Taylor	<i>Absent from 9.28pm to 9.29pm</i>

Officers

Mr Garry Hunt	Chief Executive Officer	<i>Absent from 8.39pm to 8.40pm; 9.01pm to 9.04pm and 9.20pm to 9.21pm</i>
Mr Brad Sillence	Manager Governance	
Mr Blignault Olivier	Manager City Projects	<i>Absent from 7.17pm to 7.18pm</i>
Mr Roney Oommen	Manager Financial Services	
Mr John Byrne	Governance Coordinator	
Mrs Genevieve Hunter	Senior Projects Officer	<i>Absent from 9.14pm to 9.18pm</i>
Mrs Lesley Taylor	Governance Officer	

Guests

In relation to Item 1 - Joondalup City Centre Development – Project Status Report

Mr Chad Ferguson	Executive Director, Devwest Group Pty Ltd	<i>from 7.18pm to 9.14pm</i>
Mr Damon Ferguson	Executive Director, Devwest Group Pty Ltd	<i>from 7.18pm to 9.14pm</i>
Mr Will Schofield	Woods Bagot Architecture	<i>from 7.18pm to 9.14pm</i>

DECLARATION OF OPENING

The Presiding Member declared the meeting open at 7.15pm.

DECLARATIONS OF INTEREST

Disclosure of Proximity Interest

A declaration under this section requires that the nature of the interest must be disclosed. Consequently a member who has made a declaration must not preside, participate in, or be present during any discussion or decision-making procedure relating to the matter the subject of the declaration. An employee is required to disclose their financial interest and if required to do so by the Council must disclose the extent of the interest. Employees are required to disclose their financial interests where they are required to present verbal or written reports to the Council. Employees are able to continue to provide advice to the Council in the decision making process if they have disclosed their interest.

Name/Position	Cr Russell Poliwka.
Item No./Subject	Item 1 – Joondalup City Centre Development – Project Status Report.
Nature of interest	Proximity Interest.
Extent of Interest	Cr Poliwka owns property adjacent to the Joondalup City Centre development.

Disclosures of interest affecting impartiality

Nil.

APOLOGIES/LEAVE OF ABSENCE

Leave of Absence previously approved

Cr Liam Gobbert	29 August to 4 October 2016 inclusive;
Cr Sophie Dwyer	20 October to 24 October 2016 inclusive;
Cr Mike Norman	22 October to 30 October 2016 inclusive;
Cr Sophie Dwyer	6 November to 11 November 2016 inclusive;
Cr Russell Poliwka	7 November to 19 November 2016 inclusive;
Cr John Logan	16 November to 20 November 2016 inclusive.

CONFIRMATION OF MINUTES

MINUTES OF THE MAJOR PROJECTS COMMITTEE HELD ON 1 AUGUST AND 2 AUGUST 2016 AND SPECIAL MEETING OF THE MAJOR PROJECTS COMMITTEE HELD ON 29 AUGUST 2016

MOVED Cr Hollywood, **SECONDED** Cr Jones that the minutes of the following meetings of the Major Projects Committee be confirmed as a true and correct record:

- 1 Major Projects Committee meetings held on 1 August and 2 August 2016;**
- 2 Special Major Projects Committee meeting held on 29 August 2016.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Mayor Pickard, Crs Chester, Fishwick, Hollywood, Jones and Norman.

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.

Nil.

PETITIONS AND DEPUTATIONS

Nil.

The Manager City Projects left the room at 7.17pm and returned at 7.18pm.

Messrs Chad Ferguson and Damon Ferguson of Devwest Group Pty Ltd and Mr Will Schofield of Woods Bagot Architecture entered the room at 7.18pm.

REPORTS

Disclosure Proximity Interest

Name/Position	Cr Russell Poliwka.
Item No./Subject	Item 1 – Joondalup City Centre Development – Project Status Report.
Nature of interest	Proximity Interest.
Extent of Interest	Cr Poliwka owns property adjacent to the Joondalup City Centre development.

ITEM 1 JOONDALUP CITY CENTRE DEVELOPMENT - PROJECT STATUS REPORT

WARD	North
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	103036, 101515
ATTACHMENTS	Attachment 1 Boas Place Concept Plan – Option 4.
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 Committee to note the progress on the Joondalup City Centre Development project.

EXECUTIVE SUMMARY

At its meeting held on 1 August 2016 the Major Projects Committee noted the progress made on the Joondalup City Centre Development project.

Since that time the City's development partner, Devwest Group Pty Ltd (Devwest) has continued to negotiate with potential end-users of the development.

Devwest will present detailed information on the status of the negotiations to the Major Projects Committee in PowerPoint presentation form.

The City's consultant architects, Woods Bagot, have continued the preparation of Design Guidelines for the development based on Boas Place Concept Plan - Option 4 (Attachment 1 refers). Working in collaboration with Woods Bagot, landscape architects SeeDesign have prepared a draft landscape plan.

Woods Bagot will present detailed information on the above to the Major Projects Committee in PowerPoint presentation form.

It is therefore recommended that the Major Projects Committee NOTES the Joondalup City Centre Development Project Status report.

BACKGROUND

Devwest was identified as the City's preferred development partner for the Joondalup City Centre Development at its meeting held on 2 December 2014 (JSC03-12/14 refers). Working collaboratively, the City and Devwest prepared a detailed submission to the State Government for office accommodation in Joondalup. The submission was based on the *Boas Place Concept Plan* as presented in the Devwest's proposal to the City.

In view of the State Government's decision that the City was not the preferred respondent and to progress the realisation of the City's overall vision for the establishment of a Joondalup City Centre through the *Boas Place Concept Plan*, at its meeting held on 16 February 2016 (CJ026-2/16 refers), it was agreed:

"That Council:

- 1 *AUTHORISES the Chief Executive Officer, in light of the advice received from State Government on the City's office development proposal, to progress negotiations with Devwest Group Pty Ltd towards the review of the Boas Place Concept Plan and the development of a renewed strategy for the delivery of the components of the City Centre precinct;*
- 2 *REQUESTS Devwest Group Pty Ltd to submit a revised Boas Place Concept Plan identifying proposals for development of the site."*

In negotiations with the City, Devwest reviewed the components of the *Boas Place Concept Plan* and through market analyses and research:

- identified potential uses from the various property sectors (retail, hotel, commercial, residential) that would meet the Boas Place objectives
- in consideration of the current economic climate, determined which of the potential uses could be viable in Boas Place
- identified the major players within each sector
- developed a strategy to engage and secure users under arrangements that are commercially and financially viable for the City, Devwest and the user.

Devwest presented the outcomes of the above to the Major Projects Committee at its meeting held on 4 April 2016. In broad terms, Devwest proposed the following components and construction priorities for Boas Place:

- 1 Hotel.
- 2 Student accommodation.
- 3 Commercial office building – lead by market demand.
- 4 Aged care/independent living units – co-located with child care and medical facilities
- 5 Residential – lead by market demand.

A review of the concept plan was undertaken and amendments were made based on the specific requirements of the potential end-users identified by Devwest. At the meeting held on 1 August 2016, it was agreed that the Major Projects Committee, among other things:

“2 *ENDORSES the amended Joondalup City Centre Concept Plan Option 4 (SK0010 Rev A) for the purposes of advancing the project.*”

At the same meeting, the Major Projects Committee considered a report on a potential project structure / model proposed by Devwest. It was agreed that the Major Projects Committee *inter alia*:

“1 *REQUESTS the Chief Executive Officer to prepare a report on the implications of the City assuming the role of precinct developer, as defined in this Report, for the Joondalup City Centre Development outlining:*

1.1 *the anticipated costs to the City of assuming the role of precinct developer;*

1.2 *the responsibilities of the City as precinct developer.*”

Details of the actions being undertaken to facilitate the above are provided later in this report.

DETAILS

Devwest Group Pty Ltd

Devwest will provide detailed information on the status of negotiations with potential end-users to the Major Projects Committee. The information will include the potential mix of end-users, individual building requirements and location and the contribution the end-users will make to achieving the City's vision for the development.

Boas Place Concept Plan – Design Guidelines

Following the endorsement of *Boas Place Concept Plan - Option 4* (Attachment 1 refers) by the Major Projects Committee at its meeting held on 1 August 2016, architects Woods Bagot have progressed the preparation of design guidelines for the development.

The design guidelines will be a connected set of principles that integrate with the wider City planning and design strategies. The guidelines will create a flexible framework for the concept plan that can respond to changing demands without compromising the strategic vision for the development.

Woods Bagot will present the principles of the design guidelines to enable the Major Projects Committee to provide comment and feedback. Once finalised, the Boas Place Guidelines will be presented to the Major Projects Committee for further consideration.

Project Structure / Model

The necessary tasks required for the preparation of a report to the Major Projects Committee on the implications to the City of assuming the role of “precinct developer” have commenced. The City has engaged consultants to investigate the various requirements that would need to be managed, controlled and implemented by the City as “precinct developer”. These include, but are not limited to:

- subdivision of the site
- provision of services and utilities to the subdivided lots
- construction, management of the public realm
- financial impost to the City as “precinct developer”.

Once these investigations have been completed, a report will be presented to the Major Projects Committee for consideration.

Issues and options considered

Not applicable.

Legislation / Strategic Community Plan / policy implications

Legislation

- The structure through which the City will facilitate any agreement with Devwest Group Pty Ltd will comply with the City’s obligations under the *Local Government Act 1995*.
- The development of the site (Lot 507 (90) Boas Avenue, Lot 496 (70) Davidson Terrace and part Lot 497 (102) Boas Avenue, Joondalup) is subject to the provision of *District Planning Scheme No. 2*.

Strategic Community Plan

Key theme

Quality Urban Development.

Objective

City Centre development.

Strategic initiative

Pursue the development of commercial office buildings within the Joondalup City Centre.

Policy

The development of the site is subject to the provisions of the relevant City of Joondalup planning policies.

Risk management considerations

A risk management assessment will be a required component of the contract documents preparation phase and the business plan process required for any disposal of City owned land.

Financial / budget implications

Current financial year impact

Account no.	220-C1041
Budget Item	Joondalup City Centre Commercial Office Development – 220-2.
Budget amount	\$ 878,011
Amount spent to date	\$ 10,769
Balance	\$ 867,251

The approved 2016-17 project budget makes provision for legal advice, other consultancy, subdivision costs and marketing/promotion.

The project acknowledges that a business plan process will be undertaken in accordance with the City's obligations under the *Local Government Act 1995*.

Following completion and approval of the business plan further financial implications can be reported.

All amounts quoted in this report are exclusive of GST.

As indicated earlier in this report, prior to determining the appropriate project structure / model, which will form the basis of the Heads of Agreement and other potential development agreements with Devwest, the financial implications to the City of the proposed project structure / model are currently being investigated.

Regional significance

The substantial commercial component of the integrated mixed-use development across Lot 507 (90) Boas Avenue and Lot 496 (70) Davidson Terrace will enhance the vitality and vibrancy of the City Centre by increasing the number of people attracted to it for work, retail and commercial purposes. This, together with the attraction of permanent residents to the development, will provide the impetus for the City Centre to grow and become the preferred location for investment in high-order public and private employment generating infrastructure – key performance indicators identified by the State Government for the classification of a “primary centre” articulated in *Directions 2031 and Beyond*.

Sustainability implications

Environmental

Environmental sustainability initiatives will be incorporated into the proposed design of all components of the entire development. The sustainability focus is underpinned by two core principles:

- Enhance the end-user experience and provide a high quality environment.
- Reduce operating expenses with sensible solutions that satisfy whole of life considerations.

Social

The total development of Boas Place will offer a range of attractions and activities for locals, workers, visitors and tourists to see and do, throughout different times of the day, week and year.

Reflecting Joondalup's unique community profile and diverse mix of businesses, educational, health, retail and other uses already present in the Joondalup City Centre, Boas Place will be a destination where everybody feels welcome. Boas Place will provide flexibility in many aspects of the work / life balance and will be a place to work, socialise, network, shop and relax.

Economic

The overall economic impacts of the total development of Boas Place include one-off construction impacts and on-going impacts generated by additional employment.

The current *Boas Place Concept Plan* predicts that the total benefit, including flow on impact, to the Joondalup economy will be 2,920 jobs. It is anticipated that of this number, 63% of the jobs generated will be taken up by local residents (some 1,857). This is likely to have a significant positive impact on the wider Perth metropolitan transport system by improving the employment self-sufficiency of the region.

The total on-going impact on the Australian economy will be in the vicinity of \$648 million in additional output and a total of 3,175 jobs added to the Australian economy.

The addition of 800 State Government officers, located in the new office building on the corner of Shenton Avenue and Davidson Terrace, Joondalup will also benefit the Joondalup City Centre Development. These officers will increase the customer base for the commercial / retail tenants of the development and act as an attractor to potential end-users.

Consultation

The review of the *Boas Place Concept Plan*, as well as the development of the branding strategy was conducted in collaboration with Devwest, architectural, place making and marketing consultants.

COMMENT

Not applicable.

VOTING REQUIREMENTS

Simple Majority.

Cr Chester left the room at 8.22pm and returned at 8.24pm.

Cr Jones left the room at 8.30pm and returned at 8.32pm.

Cr McLean left the room at 8.34pm and returned at 8.36pm.

Cr Fishwick left the room at 8.38pm and returned at 8.41pm.

The Chief Executive Officer left the room at 8.39pm and returned at 8.40pm.

The Chief Executive Officer left the room at 9.01pm and returned at 9.04pm.

Messrs Chad Ferguson and Damon Ferguson of Devwest Group Pty Ltd and Mr Will Schofield of Woods Bagot Architecture left the room at 9.14pm.

The Senior Projects Officer left the room at 9.14pm and returned at 9.18pm.

Cr Poliwka entered the room at 9.16pm and left at 9.18pm.

The Chief Executive Officer left the room at 9.20pm.

OFFICER'S RECOMMENDATION

That the Major Projects Committee NOTES the Joondalup City Centre Development Project Status Report.

MOVED Cr Chester, SECONDED Cr Fishwick that the Major Projects Committee:

- 1 NOTES the Joondalup City Centre Development Project Status Report;**
- 2 REVIEWS Building G in relation to the access to Boas Avenue and its integration with the Civic Square and the Joondalup Library.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Mayor Pickard, Crs Chester, Fishwick, Hollywood, Jones and Norman.

Appendix 1 refers

To access this attachment on electronic document, click here: [Attach1agnMPC161003.pdf](#)

The Chief Executive Officer entered the room at 9.21pm.

Cr Poliwka entered the room at 9.21pm.

ITEM 2 OCEAN REEF MARINA - PROJECT STATUS REPORT

WARD	North Central
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	04171, 101515
ATTACHMENTS	Attachment 1 Ocean Reef Marina Communications Strategy – Roll out Attachment 2 Ocean Reef Marina Indicative Approvals Timeline (September 2016)
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 Committee to note the progress of the Ocean Reef Marina project with particular emphasis on the environmental and planning approvals.

GLOSSARY

DoP	Department of Planning
DPaW	Department of Parks and Wildlife
DPS2	<i>District Planning Scheme No. 2</i>
EPA	Environmental Protection Authority
ESD	Environmental Scoping Document
MRS	Metropolitan Region Scheme
NPO	Negotiated Planning Outcome
OEPA	Office of the Environmental Protection Authority
Ocean Reef Marina SP	<i>Ocean Reef Marina Structure Plan</i>
PER	Public Environmental Review
SPP	State Planning Policy
WAPC	Western Australian Planning Commission

EXECUTIVE SUMMARY

To progress the approval of the Ocean Reef Marina project the following activities and tasks have been undertaken since the previous project status report was considered by the Major Projects Committee at its meeting held on 1 August 2016.

- 1 Finalisation and resubmission of the draft Public Environmental Review (PER) to the Office of the Environmental Protection Authority (OEPA) for approval to advertise.
- 2 Finalisation of the reports / studies required for the Metropolitan Region Scheme (MRS) amendment.
- 3 City of Joondalup District Boundary Amendment.
- 4 Preparation of materials to facilitate the implementation of the *Ocean Reef Marina Communications Plan* (Attachment 1 refers).
- 5 State Government Proponency.
- 6 Stakeholder engagement.
- 7 Ocean Reef Marina in the media.

Details of the above items are provided in this Report.

As far as possible the project is progressing in accordance with the Ocean Reef Marina Indicative Approvals Timeline. However, some delay has occurred in obtaining Department of Planning (DoP) and Western Australian Planning Commission (WAPC) approval to advertise the MRS amendment. The additional work required to address the agency comments on the draft PER also impacted the indicative timelines. The timeline has been updated taking this delay into consideration (Attachment 2 refers).

It is therefore recommended that the Major Projects Committee:

- 1 *NOTES the Ocean Reef Marina Project Status Report;*
- 2 *AUTHORISES the Chief Executive Office to progress the Ocean Reef Marina Communications Strategy including a City-wide mail out to all households within the City and the conducting of Community Forums as outlined in this Report.*

BACKGROUND

The City is progressing a complex approval strategy for the Ocean Reef Marina project.

There are three components to the strategy:

- A MRS amendment.
- Public Environmental Review.
- Structure Plan.

The relevant approval agencies have supported the concurrent advertising of the above and this process is also supported by the Minister for Planning.

The City lodged the MRS amendment request with the Western Australian Planning Commission (WAPC) in April 2014 and the amendment was initiated in June 2014.

To manage the potential impacts of the MRS Amendment on Bush Forever Site 325 the WAPC requires agreement of the Ocean Reef Marina Negotiated Planning Outcome (NPO) prior to final approval of the MRS Amendment.

Following submission of the draft NPO to the agencies in February 2016, the Department of Parks and Wildlife (DPaW) and the OEPA have given in-principle support for the document with only minor amendments required. The City is continuing to engage with the DoP to obtain their support as soon as possible.

It is anticipated that the draft NPO will be advertised with the MRS amendment for public comment.

Occurring in parallel with the MRS Amendment, the marine based components of the Ocean Reef Marina project are being assessed by the Environmental Protection Authority (EPA) under the *Environmental Protection Act 1986* via a PER – the highest level of assessment.

Following completion of the required studies / investigations the draft PER was forwarded to the OPEA for preliminary review in May 2016. A number of matters were identified as requiring further clarification or additional information. Prior to amending the PER and the relevant technical studies, the City engaged with the Department of Fisheries, Department of Transport and the OEPA to ensure these matters were adequately addressed.

On the recommendation of the Major Projects Committee (meeting held on 29 August 2016) at its Special Meeting held on 29 August 2016 (JSC02-08/16 refers), Council noted the intention of the Chief Executive Officer to resubmit the amended PER and supporting documentation to the EPA for approval to advertise.

At the same meeting Council also requested the Chief Executive Officer to undertake a direct household mail-out to all City households as part of the Ocean Reef Marina Communication Strategy (JSC02-08/16 refers), previously endorsed by Council at its meeting held on 19 April 2016 (CJ065-04/16 refers).

The draft preliminary *Ocean Reef Marina Structure Plan* (Ocean Reef Marina SP), based on the concept plan that accompanied the MRS amendment request, has been substantially progressed and is nearing completion.

Throughout the project, it has been anticipated that the Ocean Reef Marina SP could be formally submitted and advertised with the PER and the MRS Amendment. Formal consideration and adoption of the plan would then occur following gazettal of the MRS Amendment.

Further, as a fully developed Ocean Reef Marina will fall outside of the City's local scheme and district boundary area, it was also anticipated that the required amendments to *District Planning Scheme No. 2* (DPS2) and the City's district boundary would occur in line with gazettal of the MRS Amendment.

The new *Planning and Development (Local Planning Scheme) Regulations 2015*, released by the Department of Planning October 2015, restrict the preparation of a structure plan to areas within the boundary of local government's local planning scheme and district boundary.

At its meeting held on 16 August 2016 (CJ116-08/16 and CJ117-08/16 refer) Council agreed, in part, to initiate actions to amend the City's district boundary and the DPS2 boundary.

Once the DPS2, district boundary and MRS amendments have been finalised and gazetted, the formal process for consideration of the final Ocean Reef Marina SP can be instigated.

The preliminary draft Ocean Reef Marina SP contains a substantial amount of detailed information; however it is considered desirable that the draft plan, once completed, is released for the public to view to coincide with the *Ocean Reef Marina Communications Plan* and concurrently with the MRS amendment and PER.

At the meeting held on 1 August 2016 (Item 3 refers) it was agreed that the Major Projects Committee:

- “1 *NOTES the City’s intention to publically release the proposed draft Ocean Reef Marina Structure Plan, once completed, as part of the City’s Ocean Reef Marina communications plan, concurrently with the statutory public advertising of the Metropolitan Region Scheme Amendment and Public Environmental Review;*
- 2 *NOTES that the final Ocean Reef Marina Structure Plan will be formally submitted for Council consideration following gazettal of the amendments to the City’s district boundary, District Planning Scheme No. 2 boundary and Metropolitan Region Scheme boundary.”*

DETAILS

1 Public Environmental Review

The amended draft PER was resubmitted to the Office of the Environmental Protection Authority on 31 August 2016 for approval to advertise. The City was advised by the OEPA that further minor amendments were required to adequately address the comments received on the original draft PER.

Prior to finalising the documents, the changes proposed to be made were discussed with the OEPA. The PER has now been finalised and formally submitted on 28 September 2016. The City is awaiting formal advice from the OEPA that the Chairman of the EPA has given approval to advertise.

In accordance with the statutory timeframes, the OEPA has two weeks from the date of submission of the final PER to notify the City of approval to advertise.

2 Metropolitan Region Scheme Amendment

The DoP has confirmed that the City has provided all relevant information required for a decision to be made on advertising the MRS amendment.

At the meeting held on 27 September 2016 the WAPC considered providing in-principle support for the Negotiated Planning Outcome (NPO) for Bush Forever. It is anticipated that a Ministerial decision on advertising the MRS amendment will then be made.

The City will continue to engage with the DoP to ensure concurrent advertising of the PER and MRS amendment is facilitated.

It should be noted that the OEPA and the DoP are also liaising on the timing of concurrent advertising.

3 City of Joondalup District Boundary Amendment

At its meeting held on 16 August 2016 (CJ117-08/16 refers), Council gave in-principle approval to change the City’s district boundary to include the Ocean Reef Marina. Council also requested the City to seek comment on this proposal from the Department of Transport and DPaW.

The Department of Transport and DPaW have advised that they have no objection to the City initiating the process to amend the district boundary.

4 Ocean Reef Marina Communications Plan

The relevant marketing materials required for the communications strategy have been designed for approval. These materials include the following:

- Statutory PER advertisement (as required by the OEPA).
- City advertisement (in addition to the above) advising of PER / MRS public advertising.
- Ocean Reef Marina information brochure – to be included in the City-wide mail out.
- Media release advising of PER / MRS public advertising.
- Fact Sheets – PER, MRS amendment and Ocean Reef Marina SP processes.
- Poster advising of PER / MRS public advertising.
- Ocean Reef Marina webpage updates.
- Email advising of PER / MRS public advertising.
- Draft preliminary Ocean Reef Marina SP.

The release of the above materials is dependent on the PER / MRS amendment release date, however the Ocean Reef Marina webpage has already been updated to alert the community to the upcoming PER / MRS amendment advertising as well as the recent State Government announcement. Attachment 1 provides more information on the release of the relevant materials.

Once the PER and MRS amendment have been released for public submissions / comment, it is proposed that two Community Forums will be conducted. It is anticipated that the forums will be held at the Ocean Reef Sea Sports Club. The forums will enable the City to provide detailed information on the approvals process, how the community can have their say, State Government involvement and the next steps to be undertaken to bring the project to fruition. Forum attendees will also be able to have their questions answered by Mayor Troy Pickard, the Chief Executive Officer and members of the Ocean Reef Marina Project Team.

5 State Government

At its meeting held on 20 September 2016 (CJ151-09/16 refers), it was agreed that Council:

- “1 *ENDORSES the draft Memorandum of Understanding between the City of Joondalup, LandCorp and the State Government for the Ocean Reef Marina Development as detailed in Attachment 1 to this Report;*
- 2 *AUTHORISES the signing of the Memorandum of Understanding by the Mayor and Chief Executive Officer under Common Seal.”*

The City will continue to liaise with LandCorp to finalise the Memorandum of Understanding to enable its execution as soon as possible.

Following the execution of the Memorandum of Understanding the requirements for the commencement of the Ocean Reef Marina Business Case will be determined in collaboration with LandCorp.

6 Stakeholder Engagement

The City has continued to liaise with the OEPA, DPaW, DoP and other relevant agencies on the preparation and finalisation of the PER and the MRS amendment.

A briefing on the Ocean Reef Marina and other major projects was provided to Shadow Cabinet on 19 September 2016.

7 Ocean Reef Marina in the Media

Following the announcement that the State Government will take over the lead role for the project a substantial amount of media coverage ensued. The coverage included newspaper stories in *The West Australian*, local papers and specialist publications, television news stories and social media posts.

It has been estimated by Media Monitors that the combined coverage reached approximately 412,000 people.

Issues and options considered

Not applicable.

Legislation / Strategic Community Plan / policy implications

Legislation

The City is governed by the requirements of the *Local Government Act 1995* in relation to dealings involving commercial undertakings and land development.

Other applicable legislation includes:

- *Planning and Development Act 2005.*
- *Environmental Protection Act 1986.*
- *Environmental Protection, Biodiversity and Conservation Act 1999 (Cwlth).*

The approvals for the development are influenced by State Planning policies:

- *2.6: State Coastal Planning Policy.*
- *2.8: Bushland Policy for the Perth Metropolitan Region.*

Strategic Community Plan

Key theme

Economic prosperity, vibrancy and growth.

Objective

Destination City.

Strategic initiative

- Facilitate the establishment of major tourism infrastructure.
- Encourage diverse accommodation options.

Policy

Not applicable.

Risk management considerations

The City has amassed a substantial amount of information on all aspects of the project over a number of years. This information together with that recently compiled ensures that the City is well positioned to respond to the requirements of the relevant approvals processes.

The City has obtained agency support for the concurrent advertising of the PER and MRS amendment at all levels. Continued engagement with the agencies, in particular the DoP and OEPA, as well as the identification of further mitigation strategies, will limit the risk of this desirable outcome not eventuating.

The Ocean Reef Marina Risk Management Assessment is continuously updated taking cognisance of the environmental and planning approval requirements.

It is also anticipated that the detailed and comprehensive business case, to be prepared by LandCorp in collaboration with the City, will enable further risk management considerations to be identified, mitigated and/or managed.

Financial / budget implications

Current financial year impact

Account no.	C1001
Budget Item	Ocean Reef Marina,
Budget amount	\$ 882,313
Amount spent to date	\$ 48,582
Balance	\$ 833,731

Note: The 2016-17 approved budget includes income of \$500,000 (State Government financial contribution).

Total Project Expenditure (as at 19 September 2016)

2007-08	\$ 133,241
2008-09	\$ 968,284
2009-10	\$ 266,604
2010-11	\$ 325,046
2011-12	\$ 388,552
2012-13	\$ 376,393
2013-14	\$ 838,371
2014-15	\$1,314,917
2015-16	\$1,163,151
2016-17	\$ 181,230
LESS Grants Received	<u>\$ (785,500)</u>
Total City Expenditure	\$5,170,289

Annual operating cost	The relevant business case/s, as far as possible, will include anticipated on-going operating costs.
Estimated annual income	The relevant business case/s, as far as possible, will include estimated annual income.
Capital replacement	Detailed analysis will be required at the appropriate stage of the project.
20 Year Strategic Financial Plan impact	The City's <i>20 Year Strategic Financial Plan 2015-2016 to 2034-35</i> includes \$2,070,000 which represents capital expenditure for the 2015-16 and 2016-17 financial years. Further analysis of the impact on the <i>20 Year Strategic Financial Plan</i> will be undertaken at the appropriate stage of the project.
Impact year	2016-17.

All amounts quoted in this report are exclusive of GST.

Regional significance

The Ocean Reef Marina development will become a significant tourist / visitor destination and a key focal point within the northern Perth corridor.

Sustainability implications

Progression of the Ocean Reef Marina planning process required a number of studies / reports addressing key issues pertaining to sustainability (such as social and economic impact and environmental sustainability). Various management plans were required to be prepared as part of the MRS amendment, PER and structure plan processes.

Consultation

Extensive on-going consultation with State Government departments and agencies has been undertaken to ensure the relevant approvals processes proceed in accordance with expectations and agreed timelines.

The MRS Amendment and PER require statutory public consultation and the Ocean Reef Marina Communications Plan will provide additional, less technical information on the approvals process to the community.

COMMENT

Significant milestones have been reached for the Ocean Reef Marina over recent times. The announcement by the State Government that it will take the lead role in progressing the project is considered the most significant milestone in the project's history.

The impending public advertising of the PER / MRS amendment brings the planning and environmental approval of the project one step closer.

VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION

That the Major Projects Committee:

- 1 NOTES the Ocean Reef Marina Project Status Report;
- 2 AUTHORISES the Chief Executive Office to progress the Ocean Reef Marina Communications Strategy including a City-wide mail out to all households within the City and the conducting of Community Forums as outlined in this Report.

MOVED Cr Jones, SECONDED Cr Hollywood that the Major Projects Committee:

- 1 **NOTES the Ocean Reef Marina Project Status Report;**
- 2 **AUTHORISES the Chief Executive Office to progress the Ocean Reef Marina Communications Strategy (as amended) including a City-wide mail out to all households within the City and the conducting of a variety of Community Forums.**

The Motion was Put and

CARRIED (7/0)

In favour of the Motion: Mayor Pickard, Crs Chester, Fishwick, Hollywood, Jones, Norman and Poliwka.

Appendix 2 refers

To access this attachment on electronic document, click here: [Attach2agnMPC161003.pdf](#)

Cr Taylor left the room at 9.28pm and returned 9.29pm.

PROCEDURAL MOTION – THAT THE MEETING BE ADJOURNED – [08122, 02154]

MOVED Cr Fishwick, **SECONDED** Cr Jones that the meeting be **ADJOURNED** and **RECONVENED** on Monday 28 November 2016 commencing at 5.45pm to enable further consideration of Item 3 – Joondalup Performing Arts and Cultural Facility Business Case Report, including a community consultation plan for public consultation on the Joondalup Performing Arts and Cultural Facility.

The Procedural Motion was Put and

CARRIED (7/0)

In favour of the Procedural Motion: Mayor Pickard, Crs Chester, Fishwick, Hollywood, Jones, Norman and Poliwka.

The meeting **ADJOURNED** at 9.30pm on 3 October 2016 with the following committee members being present at that time:

Mayor Troy Pickard
Cr Kerry Hollywood
Cr Nige Jones
Cr Mike Norman
Cr John Chester
Cr Russ Fishwick, JP
Cr Russell Poliwka

RESUMPTION OF MEETING

The Presiding Member declared the **Major Projects Committee** meeting that commenced on **3 October 2016 RESUMED** at **5.49pm** on **Monday 28 November 2016**, the following persons being present:

ATTENDANCE

Committee Members

Mayor Troy Pickard	<i>Presiding Member</i>
Cr Kerry Hollywood	<i>Deputy Presiding Member</i>
Cr Nige Jones	
Cr Liam Gobbert	
Cr Mike Norman	
Cr John Chester	
Cr Russ Fishwick, JP	

Observers

Cr Tom McLean, JP
Cr Philippa Taylor
Cr Russell Poliwka

Officers

Mr Garry Hunt	Chief Executive Officer
Mr Mike Tidy	Director Corporate Services
Mr Brad Sillence	Manager Governance
Mr Blignault Olivier	Manager City Projects
Mr Scott Collins	Senior Projects Officer
Mr Allan Ellingham	Senior Financial Analyst
Mrs Lesley Taylor	Governance Officer

APOLOGIES/LEAVE OF ABSENCE

Leave of Absence previously approved

Cr Christine Hamilton-Prime	4 December to 10 December 2016 inclusive;
Cr Liam Gobbert	6 December 2016;
Cr Sophie Dwyer	7 December to 9 December 2016 inclusive;
Cr Liam Gobbert	17 December 2016.

ITEM 3 JOONDALUP PERFORMING ARTS AND CULTURAL FACILITY BUSINESS CASE REPORT

WARD	North
RESPONSIBLE DIRECTOR	Mr Garry Hunt Chief Executive Officer
FILE NUMBER	75577, 101515
ATTACHMENT	Attachment 1 Business Case Attachment 2 Business Case - Part Two Appendices <i>(Please Note: The Attachments are available electronically only)</i>
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 the Council to note the Joondalup Performing Arts and Cultural Facility (JPACF) Business Case for the purpose of advertising details of the Business Case for public comment.

EXECUTIVE SUMMARY

At its meeting held on 1 August 2016 the Major Projects Committee resolved in part as follows:

“2 *REQUESTS the Chief Executive Officer to review and refine the Business Case for the Joondalup Performing Arts and Cultural Facility taking into account the outcomes of the schematic design stage and the assessment of social and economic impacts, and a further report be presented to the October meeting of the Major Projects Committee with the intention of making the information available for public comment following Council’s consideration of this item.*”

Since then the City has engaged several consultants with various areas of expertise to review and provide recommendations on the JPACF Business Case and subsequently refined the Business Case accordingly (Attachment 1 and 2 refer). There now exists an opportunity to advertise details of the Business Case for public comment in alignment with the City’s *Community Engagement Protocol*.

It should be noted however that consultants Deloitte are currently reviewing the refined Business Case and their report is scheduled for completion by 10 October 2016. The Business Case as attached to this report is current at this point in time however it should be noted that findings from the review by Deloitte may necessitate further modifications to the Business Case.

It is therefore recommended that the Council:

- 1 *NOTES the reviewed and refined Joondalup Performing Arts and Cultural Facility Business Case forming Attachment 1 and 2 to this Report;*
- 2 *NOTES the three Joondalup Performing Arts and Cultural Facility Business Case review reports from consultants Pracsys, Paxon Group and Rudi Gracias provided in Attachment 2 to this Report;*
- 3 *NOTES that a review of the refined Joondalup Performing Arts and Cultural Facility Business Case is currently being undertaken by consultants Deloitte and is scheduled for completion by 10 October 2016;*
- 4 *REQUESTS the Chief Executive Officer to initiate a community consultation process based on the reviewed and refined Joondalup Performing Arts and Cultural Facility Business Case, aligned to the community consultation process undertaken for the Ocean Reef Marina as outlined in this report, and to provide a further report to the Major Projects Committee detailing the outcome of the community consultation process.*

BACKGROUND

At its meeting held on 15 December 2015 (C77-12/15 refers), Council considered a report entitled Joondalup Performing Arts and Cultural Facility Business Case and Progression Options. The report provided a draft Business Case for the JPACF and options to progress the project through a schematic design stage. Upon consideration of the report it was resolved that Council:

- “1 *NOTES the Business Case, at this point in time, for the Joondalup Performing Arts and Cultural Facility as detailed in Attachment 1 to Report C77-12/15;*
- 2 *REQUESTS the Chief Executive Officer to proceed with the schematic design stage of the Joondalup Performing Arts and Cultural Facility project and NOTES Ashton Raggatt MacDougall Pty Ltd T/A ARM Architecture will undertake the schematic design based on the scope of works and fee proposal as outlined in Report C77-12/15;*
- 3 *NOTES the Business Case for the Joondalup Performing Arts and Cultural Facility project is final at this point in time and will be further refined for Council’s approval in view of the outcomes of the schematic design stage and revised costings;*
- 4 *NOTES the Chief Executive Officer will submit a grant application to Round Three of the Federal Government’s National Stronger Regions Fund.”*

At its meeting held on 1 August 2016 the Major Projects Committee considered a report entitled Joondalup Performing Arts and Cultural Facility Project Status Report. Upon consideration of this report it was resolved that the Major Projects Committee:

- “1 *NOTES the Joondalup Performing Arts and Cultural Facility Project Status Report;*

- 2 *REQUESTS the Chief Executive Officer to review and refine the Business Case for the Joondalup Performing Arts and Cultural Facility taking into account the outcomes of the schematic design stage and the assessment of social and economic impacts, and a further report be presented to the October meeting of the Major Projects Committee with the intention of making the information available for public comment following Council's consideration of this item".*

DETAILS

Business Case

Since Council considered the draft JPACF Business Case in December 2015 the City has engaged several consultants to review and revise the JPACF Business Case. The reviews took into account the various changes to the design resulting from the schematic design stage of the project. The consultants were engaged to review the relevant components of the Business Case based on their areas of expertise. The scope of the work undertaken by the consultants is outlined below in this report. The recommendations from consultants have been either adopted outright or used to complement existing data in the Business Case. The impact of the consultant's recommendations on the Business Case is outlined below in this report and commentary included in the Business Case. The consultant's reports are included in Attachment 2 to this report.

The refined Business Case for the JPACF consists of two parts: Business Case (Attachment 1 refers) and Business Case – Part Two, Appendices (Attachment 2 refers). The document has been divided into two parts due to its large size. Attachment 1 consists of details of the work undertaken on the project since its inception and includes the project scope, strategic context, needs analysis, design options, and financial, social and economics assessments. Attachment 2 consists of all of the supporting documentation and detailed information supporting the Business Case, including consultant reports, concept and schematic design drawings, detailed financial and operations analysis and other technical data.

Consultant Business Case Reviews

Paxon Group Review

Consultant Paxon Group has demonstrated substantial previous experience in culture and arts projects in Western Australia and throughout Australia including Business Case development and financial and economic analysis of major arts and cultural infrastructure development projects. It should be noted that their previous work predominately relates to the preparation of business cases for the development of new facilities.

The analysis undertaken by Paxon took account of the changes made through the schematic design stage. Paxon reviewed the existing assumptions in the draft Business Case and undertook further financial analysis of the following components of the JPACF: repairs and maintenance; food and beverage; utilities; capital replacement costs; and also provided comment on the operation of the art gallery and exhibition space, conferencing and events and opportunities for grants and sponsorships. Various recommendations from Paxon Group have been incorporated into the Business Case and the report from Paxon Group is included in Attachment 2.

Rudi Gracias Review

Rudi Gracias previously held the role of Acting General Manager, Perth Theatre Trust and prior to that held positions as Chief Operating Officer, Perth Theatre Trust and Director BOCS Ticketing and Marketing Services. Mr Gracias now works as a consultant and was engaged by the City to review the JPACF Business Case and provide advice and financial modelling on income from the primary and secondary theatres, staffing levels, ticketing, technical equipment and suggestions on a management model for the JPACF. Various recommendations from Rudi Gracias have been incorporated into the Business Case and the report by Rudi Gracias is included in Attachment 2.

Pracsys Review

During the undertaking of the schematic design process additional research into economic and social impacts of the JPACF was undertaken by consultants Pracsys. More recently Pracsys was re-engaged to provide improved assumptions for the art gallery, community use rooms and conferencing and events areas of the facility following the reconfiguration of these areas through the schematic design process.

Pracsys has also updated their previous work on the social and economic impacts and Social Return on Investment (SROI) and revised the overall Benefit Cost Ratio (BCR) and Net Present Value (NPV) for the JPACF, based on the new financial details resulting from the review of the Business Case. This information has now been included in the refined Business Case and their report is included in Attachment 2.

Deloitte Review

Deloitte Australia was previously engaged by the City to undertake an audit of the financial modelling of the JPACF Business Case. In June 2016 the Finance Committee noted in part that the financial model was shown to be rigorous and provided assurance to the City's financial modelling approach. Deloitte is currently engaged to undertake a review of the refined JPACF Business Case to challenge the robustness of the underlying financial assumptions and the key risks and mitigation strategies for the project.

Their work will include a review of the following components: financial forecasts, financial assumptions and supporting information; funding sources; risks; sensitivity analysis and potential variability of cash flows; returns and impact on the City; social and economic impact analysis; and cost benefit analysis. The work being undertaken by Deloitte is scheduled for completion by 10 October 2016. The Business Case as attached to this report is current at this point in time however it should be noted that findings from the review by Deloitte may necessitate further modifications to the Business Case.

Summary of refinements since December 2015 Business Case

Through the review process the City was provided with vast amounts of additional information and recommendations from the various consultants. The City has presented the relevant information in a balanced way to allow Elected Members to make an informed decision on progressing the project.

In considering the various options to adopt for the purpose of the Business Case three scenarios have been prepared as follows:

- Scenario 1 – Worse Case. This includes some of the worse-case estimates for staff costs, utilities and repair/maintenance as provided by consultants.
- Scenario 2 – Idealistic. The other end of the range of possibilities with best-case estimates for staff costs, utilities and repair/maintenance.
- Scenario 3 – Realistic. Amended set of assumptions, which represent a balance between Scenario 1 and Scenario 2.

Scenario 3 is used as the basis of the projections in the Business Case. The difference between the scenarios indicates that some uncertainty still exists with some of the assumptions and that there are further improvements that will continue to be made to the projections if the project progresses.

The 40 year whole-of-life project costs for the JPACF for Scenario 3 has increased from the December 2015 Business Case figure of \$200.1 million to \$217.5 million. Some of the major refinements are summarised as follows:

- \$3 million for increased capital costs resulting from the schematic design stage of the project, including the cost of interest.
- \$11 million for forecasted reduced Tamala Park proceeds, including the cost of interest.
- \$4 million benefit for the reduced costs of borrowing (lower interest rate).
- \$7 million due to the higher operating subsidy of \$863,000 per year (up from \$818,000 in December 2015).

Commentary on the refinements to the Business Case are provided in detail in Attachment 2.

Funding strategy

The funding strategy for the facility assumes a contribution of \$10 million from the Federal Government towards the capital costs. The City prepared and submitted a grant application for \$10 million to Round Three of the Federal Government's National Stronger Regions Fund (NSRF) in March 2016. The Department of Infrastructure and Regional Development is currently providing advice to the Australian Government on NSRF Round Three applications. The Department has recently advised the City that decisions regarding the timing of announcements are a matter considered by the Australian Government.

The City has planned for the JPACF for a number of years and implemented strategies, including the sale of vacant surplus land, to contribute to the cost of the project. At present there is \$21 million in reserves dedicated to the development of the JPACF, being the Joondalup Performing Arts and Cultural Facility Reserve (\$12 million) and the Tamala Park Land Sales Reserve (\$9 million). It is estimated that there will be \$37 million in total available at the point of construction according to the indicative project program. It should be noted that this amount was originally forecast to be \$45 million however this has recently been reduced by \$8 million due to revised forecast of proceeds from Tamala Park Regional Council.

The remainder of the financing would come from borrowings from Western Australia Treasury Corporation. It is estimated that \$58 million borrowings would be required during the construction period, repaid over a 15 year term at fixed interest rate of approximately 3.81%. The total repayments, including principal and interest, are estimated at \$80 million. It is estimated that approximately 60% of the repayments will be repaid using future proceeds from the sale of surplus land, with the remaining 40% being funded from general municipal funds. If the City's application for the \$10 million NSRF grant is unsuccessful this would result in additional borrowings and total repayments of \$14 million, resulting in total repayments including principal and interest, of \$94 million.

The City has undertaken a detailed evaluation of alternative forms of financing, including variable rate loans and interest only loans. The findings are discussed in detail in Attachment 2. Consultants Deloitte will also provide comment on the alternative funding strategies as part of their review.

Issues and options considered

Not applicable.

Legislation / Strategic Community Plan / policy implications

Legislation The City is governed by the requirements of the *Local Government Act 1995* in relation to dealings involving commercial undertakings and land development.

Strategic Community Plan

Key theme Community Wellbeing.

Objective Cultural development.

Strategic initiative Establish a significant cultural facility with the capacity to attract world-class visual and performing arts events.

Policy Not applicable.

Risk management considerations

A comprehensive risk management plan outlining the risks apparent to the project has been prepared and is continually updated as the project progresses. The financial risks and sensitivities are outlined in the Business Case.

Financial / budget implications

Current financial year impact

Account no.	1-210-C1002
Budget Item	Joondalup Performing Arts and Cultural Facility.
Budget amount	\$ 11,300,000
Amount spent to date	\$ 188,641
Balance	\$ 11,111,359

The budget allocated for 2016-17 is for the engagement of expert consultants and other costs associated with project management, site assessment, schematic design fees, design development fees, documentation and tendering and commencement of construction (subject to progression of the project).

Future financial year impact

The development of the JPACF will require a significant financial contribution towards the capital cost, ongoing costs and an annual subsidy for the facility's operations.

The capital cost of the facility is estimated to be \$99.7 million in today's dollars.

The financial analysis undertaken to date for the JPACF, including the recent financial reviews, has continually indicated an annual operating subsidy of between \$800,000 and \$900,000 (excluding borrowing costs and depreciation). It should be noted that investigations have indicated that annual operating subsidies for comparable facilities in Australia can exceed \$1 million.

**20 Year Strategic
Financial Plan impact** \$97.6 million.

Impact year 2018-19.

All amounts quoted in this report are exclusive of GST.

Regional significance

The construction of the Joondalup Performing Arts and Cultural Facility will enhance the City Centre as the major commercial, educational, recreational and arts and culture centre for the northern corridor of the Perth metropolitan area.

Sustainability implications

Sustainability implications have been considered during the schematic design stage and will be incorporated into the Business Case for the facility.

Consultation

From the early stages of the project the City has consulted widely on the JPACF project:

- In the initial scoping and planning phases of the project a comprehensive survey of various schools, community groups and professional cultural and performing arts performers and artists was undertaken by the City.
- In the preparation of the 2012 Market Analysis and Feasibility Study, numerous performing arts managers, performing arts venues, arts producers, local cultural organisations and existing, school, convention, sporting and learning facility representatives were consulted with.
- During the architectural design competition for the concept design, ratepayers, residents and the broader community were given the opportunity to view the four conceptual design submissions and vote and comment on their preferred design. The City received over 450 votes and numerous comments.

- On an ongoing basis the City has consulted with performing arts facility managers, the Department of Culture and the Arts and the Perth Theatre Trust. The City has also liaised with experts in the performing arts, conferencing, events, exhibitions and education sectors.
- From 2011 to 2015 the JPACF project was overseen by the Joondalup Performing Arts and Cultural Facility Steering Committee which included external members from the Joondalup Learning Precinct, specialist performing arts and cultural experts and members from community arts groups.
- The City has briefed Government and Opposition representatives at both state and federal level highlighting the local and regional, social and economic benefit of this proposed facility, with the intention of obtaining financial support.
- Throughout the various phases of the project consultants specialising in facility operation and management, architecture and social, economic and financial analysis, have been engaged by the City.

Pending a decision on progressing the project by Council the City will provide a further community consultation opportunity in alignment with the *Community Engagement Protocol* which has been established by the City to ensure an open, transparent and accountable approach to all community engagement activities. It is intended that the community consultation will follow a similar process to that undertaken for the Ocean Reef Marina.

It is proposed that the materials for the community consultation will include:

- written/email communication to key stakeholders
- website updates
- newspaper advertisements
- fact sheets
- social media items
- articles in City publications (such as City News)
- media release
- City-wide mail out.

It is intended that the information presented for community consultation will be based on the current Business Case and will include the history of the project, consultation undertaken to date, current status of the project, FAQs, what the City is seeking from the community at this stage, where and how the community can comment and information on the next stage of the project.

The Community Consultation can be undertaken both online via the City's website and via a City-wide mail out to all residents (including brochure / survey form and accompanying letter).

A detailed community consultation implementation plan will be developed following a determination to proceed with the community consultation process.

Prior to proceeding with the development the City will ensure that the public advertising requirements under the *Local Government Act 1995* are met.

COMMENT

The Business Case for the JPACF responds to the project vision endorsed by Council, which articulates the intent and purpose of progressing the project as follows:

- Provide a world class, state of the art facility; incorporating innovative and sustainable design, symbiotic with the existing natural and built environment that is a place for the pursuit of activities such as performing arts, visual arts and crafts, film and media and cultural events for the community of Perth's northern corridor.
- Provide a facility that can host a mixture of commercial and community activities that creates an inclusive environment that becomes a place to celebrate imagination and creativity, inspiring individuals and the community to take part in culture and the arts and raise the aspirations of all users.
- Reinforce the Joondalup City Centre as the creative and educational centre of the northern corridor.

The JPACF would be a significant piece of cultural infrastructure for the City of Joondalup and the northern corridor of Perth and represents a major investment for the City and its ratepayers.

It is considered that providing a further opportunity for the ratepayers of the City of Joondalup and the general public to have their say on the JPACF Business Case, prior to proceeding to the next stage of design, will further strengthen the robust process undertaken by the City in planning for this major development.

VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION

That Council:

- 1 NOTES the reviewed and refined Joondalup Performing Arts and Cultural Facility Business Case forming Attachments 1 and 2 to this Report;
- 2 NOTES the three Joondalup Performing Arts and Cultural Facility Business Case review reports from consultants Pracsys, Paxon Group and Rudi Gracias provided in Attachment 2 to this Report;
- 3 NOTES that a review of the refined Joondalup Performing Arts and Cultural Facility Business Case is currently being undertaken by consultants Deloitte and is scheduled for completion by 10 October 2016;
- 4 REQUESTS the Chief Executive Officer to initiate a community consultation process based on the reviewed and refined Joondalup Performing Arts and Cultural Facility Business Case, aligned to the community consultation process undertaken for the Ocean Reef Marina as outlined in this report, and to provide a further report to the Major Projects Committee detailing the outcome of the community consultation process.

MOVED Cr Hollywood, SECONDED Cr Fishwick that the Major Projects Committee NOTES the Joondalup Performing Arts and Cultural Facility Business Case Report.

The Motion was Put and

CARRIED (7/0)

In favour of the Motion: Mayor Pickard, Crs Chester, Fishwick, Hollywood, Jones, Norman and Poliwka.

Appendix 3 refers

To access this attachment on electronic document, click here:

[*Attach3agnMPC161003 - Attachment 1.pdf*](#)

[*Attach3agnMPC161003 - Attachment 2 pages 1-259.pdf*](#)

[*Attach3agnMPC161003 - Attachment 2 pages 260-517.pdf*](#)

[*Attach3agnMPC161003 - Attachment 2 pages 518-647.pdf*](#)

[*Attach3agnMPC161003 - Attachment 2 pages 648-717.pdf*](#)

[*Attach3agnMPC161003 - Attachment 2 pages 718-732.pdf*](#)

[*Attach3agnMPC161003 - Attachment 2 Pages 733-747.pdf*](#)

[*Attach3agnMPC161003 - Attachment 2 pages 748-777.pdf*](#)

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 5.51pm; the following Committee Members being present at that time:

Mayor Troy Pickard
Cr Kerry Hollywood
Cr Nige Jones
Cr Liam Gobbert
Cr Mike Norman
Cr John Chester
Cr Russ Fishwick, JP