

minutes

Major Projects Committee

MEETING HELD ON **MONDAY 13 MARCH 2017**

TABLE OF CONTENTS

Item No.	Title	Page No.
	Declaration of Opening	3
	Declarations of Interest	4
	Apologies/Leave of absence	4
	Confirmation of Minutes	5
	Announcements by the Presiding Member without discussion	5
	Identification of matters for which the meeting may be closed to the public	5
	Petitions and deputations	5
	Reports	6
1	Setting of Meeting Dates – Major Projects Committee	6
2	Joondalup City Centre Development – Project Status	9
3	Ocean Reef Marina – Project Status	17
4	Joondalup Performing Arts and Cultural Facility – Verbal Update	28
	Urgent Business	29
	Motions of which previous notice has been given	29
	Requests for Reports for future consideration	29
	Closure	29

CITY OF JOONDALUP

MINUTES OF THE MAJOR PROJECTS COMMITTEE MEETING HELD IN CONFERENCE ROOM 1, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON MONDAY 13 MARCH 2017.

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	

Observers

Cr Tom McLean	
Cr Philippa Taylor	
Cr Russell Poliwka	<i>absent from 5.53pm to 6.38pm</i>

Officers

Mr Garry Hunt	Chief Executive Officer
Mr Brad Sillence	Manager Governance
Mr Blignault Olivier	Manager City Projects
Mr John Byrne	Governance Coordinator
Mrs Genevieve Hunter	Senior Projects Officer
Mrs Lesley Taylor	Governance Officer

In relation to Item 2 – Joondalup City Centre Development – Project Status

Mr Will Schofield	Associate, Woods Bagot Architecture	<i>from 5.55pm to 6.38pm</i>
-------------------	-------------------------------------	------------------------------

DECLARATION OF OPENING

The Presiding Member declared the meeting open at 5.50pm.

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 2 - Joondalup City Centre Development – Project Status.
Nature of interest	Proximity Interest.
Extent of Interest	Cr Poliwka owns property in the precinct (CBD).

Disclosure 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	Cr Philippa Taylor.
Item No./Subject	Item 3 - Ocean Reef Marina – Project Status.
Nature of interest	Interest that may affect impartiality.
Extent of Interest	Cr Taylor is a member of the Ocean Reef Sea Sports Club.

APOLOGIES/LEAVE OF ABSENCE

Leave of Absence Previously Approved:

Cr Russ Fishwick, JP	2 March to 16 March 2017 inclusive;
Cr Liam Gobbert	7 March to 14 March 2017 inclusive;
Cr Nige Jones	27 March to 31 March 2017 inclusive;
Cr Nige Jones	2 April to 7 April 2017 inclusive;
Cr Liam Gobbert	11 April to 18 April 2017 inclusive;
Cr John Logan	22 April to 28 May 2017 inclusive;
Cr Sophie Dwyer	12 April to 19 April 2017 inclusive;
Cr Nige Jones	4 May to 13 May 2017 inclusive;
Cr Sophie Dwyer	9 July to 13 July 2017 inclusive.

CONFIRMATION OF MINUTES

MINUTES OF THE MAJOR PROJECTS COMMITTEE HELD ON 3 OCTOBER 2016 AND RESUMED ON 28 NOVEMBER 2016; 28 NOVEMBER 2016; AND SPECIAL MEETING OF THE MAJOR PROJECTS COMMITTEE HELD ON 1 FEBRUARY 2017

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

- 1 Major Projects Committee meeting held on 3 October and resumed on 28 November 2016;**
- 2 Major Projects Committee meeting held on 28 November 2016;**
- 3 Special Major Projects Committee meeting held on 1 February 2017.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Mayor Pickard, Crs Chester, Gobbert, 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.

PETITIONS AND DEPUTATIONS

Nil.

REPORTS**ITEM 1 SETTING OF MEETING DATES - MAJOR PROJECTS COMMITTEE**

WARD	All
RESPONSIBLE DIRECTOR	Mr Jamie Parry Governance and Strategy
FILE NUMBER	02153, 105563, 101515
ATTACHMENTS	Nil
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 Major Projects Committee to consider the proposed schedule of committee meeting dates for 2017.

EXECUTIVE SUMMARY

In order to assist with forward planning for all Elected Members, management and staff, a schedule of meeting dates has been prepared for the Major Projects Committee, ensuring synergy between meeting dates and the flow of information and decision-making.

It is therefore recommended that the Major Projects Committee adopts the meeting dates and times for the Major Projects Committee of the City of Joondalup to be held at the Joondalup Civic Centre, Boas Avenue, Joondalup.

BACKGROUND

The Major Projects Committee was established at the Special Council meeting held on 3 November 2015 (JSC02-11/15 refers). The role of the Major Projects Committee is to:

- oversee the progress of the Ocean Reef Marina, the Joondalup City Centre Office Development, the Joondalup Performing Arts and Cultural Facility and other major strategic capital projects as identified from time to time
- make recommendations to Council on various elements of the projects within the role of the Major Projects Committee, including but not limited to:
 - project scope
 - design elements and core project components
 - development models and financial structures
 - on-going management and utilisation models.

The proposed 2017 schedule of Council meeting dates is based on the format used in recent years. That is, a monthly meeting format with Strategy Sessions held on the first Tuesday of each month, Briefing Sessions held on the second Tuesday and Council meetings on the third Tuesday.

This enables committee meetings to be scheduled on the Monday, Tuesday or Wednesday of weeks one, two and three so as to minimise potential conflicts with other Council activities and provide a 'meeting-free' week in the fourth week of each month.

It is preferable to hold committee meetings in the first week of the month, thereby enabling committee recommendations to be listed in the Briefing Session agenda and subsequently the Council meeting agenda, however this may not always be possible due to other scheduled meetings.

DETAILS

The Major Projects Committee is a new committee that will oversee the progress of a variety of landmark projects within the City of Joondalup. Meetings of this committee may need to be held on an 'as-needs' basis, due to the nature and timing of decisions needed for these significant projects,. However, to ensure ongoing progress reports are provided to Elected Members and enable timely decisions to be made, it is suggested the Major Projects Committee meets bi-monthly, on the Monday of the second week of the month.

The proposed meeting day / date / times are as follows:

- Monday 8 May 2017, commencing at 5.45pm.
- Monday 10 July 2017, commencing at 5.45pm.
- Monday 11 September 2017, commencing at 5.45pm.

Dates for committee meetings have not been set beyond 2 October 2017 in view of the fact that the local government elections will be held on 21 October 2017. At that time all committees will disband and be re-established, if appropriate, following the holding of the elections.

Issues and options considered

The Major Projects Committee can either:

- adopt the meeting dates as proposed in this report
or
- amend the meeting dates.

Legislation / Strategic Community Plan / policy implications

Legislation	<i>Local Government Act 1995. Local Government (Administration) Regulations 1996. City of Joondalup Meeting Procedures Local Law 2013.</i>
Strategic Community Plan	
Key theme	Governance and Leadership.
Objective	Corporate capacity.
Strategic initiative	Not applicable.
Policy	Not applicable.

Risk management considerations

Should forward planning of committee meetings not be identified, then there is a risk for meetings to be held on an ad-hoc basis; lacking coordination with other key meetings and corporate planning processes.

Financial / budget implications

Not applicable.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

Not applicable.

COMMENT

The proposed dates have been based on a bi-monthly meeting cycle, with meetings to be held in the first week of the month, thereby enabling flow-on reporting within Council's monthly meeting cycle. In addition, the proposed meeting dates for the Major Projects Committee are cognisant of proposed meeting dates for a variety of other committees.

VOTING REQUIREMENTS

Simple Majority.

MOVED Cr Gobbert, SECONDED Cr Hollywood that the Major Projects Committee ADOPTS the following meeting dates and times for the Major Projects Committee of the City of Joondalup to be held at the Joondalup Civic Centre, Boas Avenue, Joondalup:

Major Projects Committee To be held in Conference Room 1
Monday 8 May 2017, commencing at 5.45pm.
Monday 10 July 2017, commencing at 5.45pm.
Monday 11 September 2017, commencing at 5.45pm.

The Motion was Put and

CARRIED (6/0)

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

Disclosure of Proximity Interest

Name/Position	Cr Russell Poliwka.
Item No./Subject	Item 2 - Joondalup City Centre Development – Project Status.
Nature of interest	Proximity Interest.
Extent of Interest	Cr Poliwka owns property in the precinct (CBD).

Cr Poliwka left the room at 5.53pm.

Mr Will Schofield of Woods Bagot Architecture entered the room at 5.55pm.

ITEM 2 JOONDALUP CITY CENTRE DEVELOPMENT - PROJECT STATUS

WARD	North
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	103036, 101515
ATTACHMENTS	Attachment 1 Presentation – Joondalup City Centre Development: Building G study Attachment 2 Boas Place Concept Plan – Option 4B
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 note the progress on the Joondalup City Centre Development and to endorse the amended concept plan for the development (Boas Place Concept Plan – Option 4B).

EXECUTIVE SUMMARY

At its meeting held on 28 November 2016 the Major Projects Committee noted the progress made on the Joondalup City Centre Development (JCCD) project and requested a further review of the Boas Place Concept Plan, particularly in regard to the access way between Building A and Building G and the impact of Building G on the western façade of the City's Library building. The Major Projects Committee also requested a revision of the southern access way.

The City's consultant architects, Woods Bagot, reviewed the concept plan and have amended the position of Building G to address the issues raised by the Major Projects Committee and have reviewed the southern access way and its synergy with the natural area of Central Park.

Comment and opinion was sought from consultants Arup on restricting the southern access way to emergency and service vehicles only.

Woods Bagot will present detailed information on the above to the Major Projects Committee in PowerPoint presentation form (Attachment 1 refers).

In addition to the above, Woods Bagot has continued the preparation of Design Guidelines for the development. Landscape architects Seedesign, in collaboration with Woods Bagot, has further refined the draft landscape plan and landscape design guidelines.

A *Local Planning Policy* will be prepared to support the development provisions of the *Joondalup Activity Centre Structure Plan* and to embed and commit to the City's vision for Boas Place.

Devwest Group Pty Ltd (Devwest) advised the City that negotiations with potential hotel operators were continuing. Devwest also advised that Edith Cowan University indicated they have no requirements for additional student accommodation at this time.

A high level financial analysis of the anticipated expenditure and income streams for the *Boas Place Concept Plan* has been undertaken. Further due diligence on the analysis is required following endorsement of the *Boas Place Concept Plan* prior to consideration of the financial implications to the City.

Memorandum of Understanding

At its meeting held on 13 December 2016 (CJ226-12/16 refers), Council authorised the Chief Executive Officer to extend the exclusivity period of the current Memorandum of Understanding (MOU) between the City and Devwest for a period of nine months.

The necessary paperwork facilitating the above was signed by Devwest on 15 December 2016 and the City on 21 December 2016.

Expression of Interest – Office accommodation in the Joondalup City Centre

On 30 January 2017 Australian Corporate Property and Projects (ACORPP), on behalf of an undisclosed client, advertised for Expressions of Interest (EOI) for 4,000sqm of accommodation in Joondalup.

In collaboration with Devwest, the City submitted a proposal based on the concept plan for Boas Place. The submission incorporated many of the elements from the City's detailed proposal for State Government office accommodation in Joondalup.

Following consideration of the proposal received, ACORPP will invite detailed proposals from the successful respondents. No details on timeframes for the EOI process are available at this point in time.

It is therefore recommended that Council:

- 1 *NOTES the Joondalup City Centre Development Project Status Report;*
- 2 *ENDORSES the Boas Place Concept Plan – Option 4B as detailed in Attachment 2 to this Report.*

BACKGROUND

Following the State Government's decision that the City was not the preferred respondent for the provision of office accommodation in the Joondalup City Centre, the components of the *Boas Place Concept Plan* were reviewed and the construction priorities for Boas Place were updated.

In broad terms, Devwest proposed the following components:

- 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.

Further amendments were made to the concept plan 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."

To enable the City to process negotiation of a new Memorandum of Understanding (and other potential agreements) with Devwest, the Major Projects Committee (meeting held on 1 August 2016) requested that a report be prepared on the implications, both financial and other, to the City assuming the role of precinct developer. The required investigations, including town planning and subdivision, to facilitate the above commenced in October 2016.

At its adjourned meeting held on 3 October 2016 the Major Projects Committee identified that the location of mix-use Building G (mixed-use), on the eastern side of the development site fronting Boas Avenue, restricted the line of sight into Civic Square and the Joondalup Library. It was therefore requested by the Major Projects Committee that investigations be undertaken to create an "arrival" point with a better line of sight into Civic Square.

Following consideration of the amendments made to the concept plan, at its meeting held on 28 November 2016 (Item 3 refers), it was agreed that the Major Projects Committee, among other things:

"2 REQUESTS further refinement of the Boas Place Concept Plan to ensure that:

- 2.1 Building G has minimal impact on the western facade of the library building;*
- 2.2 the pedestrian access way between Building G and Building A be redesigned to enable an engaging pedestrian experience;*
- 2.3 the new access way to the south of Building H be revised to give focus to a pedestrian environment, with a possible restricted vehicle access, as well as respect the natural area of Central Park."*

DETAILS

Boas Place Concept Plan

The City's architectural consultant, Woods Bagot, has reviewed and amended the *Boas Place Concept Plan* taking into consideration the matters of concern raised by the Major Projects Committee.

Woods Bagot will present the amended concept plan as well as traffic and transport information on the southern access way to the Major Projects Committee via a PowerPoint presentation (Attachment 1 refers).

Design Guidelines

The *Boas Place Design Guidelines*, incorporating the landscape guidelines, are currently being finalised. The guidelines are not enforceable through the City's planning framework; however a *Local Planning Policy* will be prepared for the development that incorporates the components of the guidelines critical to ensuring appropriate built form and activity particularly at ground level and to support the development provisions of the *Joondalup Activity Centre Structure Plan*.

Devwest Group Pty Ltd

Advice received from Devwest indicates that negotiations with potential hotel operators are on-going. However, the demand for student accommodation in the Joondalup area appears to be falling with ECU indicating that they have no requirement for additional student accommodation in the short-term. Further, it is likely that any additional student accommodation will be constructed on ECU owned land.

Feasibility Analysis

The relevant information contained within the Town Planning / Subdivision Advice report prepared by the Rowe Group contributed to the preparation of a high level financial feasibility analysis of the development.

Further assessment of the potential expenditure and income streams is required following endorsement of the *Boas Place Concept Plan*. This assessment will include such items as:

- public realm costs
- validation of potential costs by a Quantity Surveyor
- impact on costs and income streams of staging the development (particularly the public realm).

The current estimates raised doubts about the financial benefits of implementing the concept plan in totality due to current low capital value of the land and the high cost of the public realm. This situation is now expected to be the long-term position; therefore there may be opportunity to develop a single site that complies with the endorsed concept plan as an initial investment. This would result in promoting the overall development and could act as a catalyst for further interest and investment.

Memorandum of Understanding

The exclusivity period of the MOU with Devwest has been extended by nine months, expiring on 10 September 2017.

At the same time as endorsing the extension to the exclusivity period, Council also authorised the commencement of negotiations with Devwest for a new MOU for one or more components of the *Boas Place Concept Plan* or either one or more of the lots or specific sites of the JCCD (CJ226-12/16 refers).

It is anticipated that these negotiations will occur following endorsement of the amended concept plan (*Boas Place Concept Plan – Option 4B, Attachment 2* refers).

Expression of Interest – Office Accommodation in Joondalup

On Monday 30 January 2017 ACORPP on behalf of an undisclosed client, advertised an EOI for the following:

Lease area:	4,000sqm.
Property type:	Office accommodation.
Location:	Ideally located in Joondalup or up to 10 kilometres from the Joondalup City Centre.
Lease term:	Minimum 10 years.
Requirements:	Located in close proximity to public transport. Car parking – private and public.
Closing date:	5.00pm, Friday 3 February 2017.

Responses had to include the following information:

- Lease area.
- Proposed rent.
- Outgoings (if payable).
- Lease term and any renewal options.
- Number of car parking bays available and cost per bay.
- Incentives offered.
- A floor plan and brochure (if available).

The City understands that following consideration of responses to this EOI, successful respondents will be requested to provide a detailed proposal, should the undisclosed client choose to do so.

In collaboration with development partner Devwest the City submitted a proposal based on the concept plan for Boas Place. The submission incorporated many of the elements from the City's detailed proposal for State Government office accommodation in Joondalup.

The proposal outlined the components of the *Boas Place Concept Plan* and the benefits to tenants of being part of a mixed-used development in the heart of the City Centre close to all amenities including public transport and car parking.

The proposal also outlined that 4,000sqm of office accommodation could be facilitated in a number of locations within Boas Place; therefore not limiting the client to one specific location or building size.

Following submission of the proposal to ACORPP, the document was made available to Elected Members.

Issues and options considered

Not applicable.

Legislation / Strategic Community Plan / policy implications

Legislation

- The structure through which the City will facilitate any agreement with its development partner 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.

The project will also require the preparation of a *Local Planning Policy*.

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	\$ 279,542
Balance	\$ 598,469

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*.

All amounts quoted in this report are exclusive of GST.

Regional significance

The substantial commercial component of the integrated mixed-used 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, leisure, entertainment 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.¹

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

¹ Sources: City of Joondalup Economic Development Analysis
National Institute of Economic and Industry Research (NIEIR) ©2015

Consultation

In determining the proposed concept plan options, substantial consultation was undertaken with external consultants including Arup, Rowe Group, Woods Bagot and Seedesign. Devwest also provided input based on their negotiations with potential end-users and current market conditions.

Further, consultation regarding Crime Prevention through Environmental Design (CPTED) and environmentally sustainable design principles will be undertaken prior to the finalisation of the *Boas Place Design Guidelines*.

COMMENT

It is considered that the amended concept Plan (*Boas Place Concept Plan – Option 4B*) addresses the issues raised by the Major Projects Committee concerning Building G and the southern access way.

Endorsing the concept plan will enable the City to commence negotiations with Devwest on a new MOU (as authorised by Council at its meeting held on 13 December 2016, CJ226-12/16 refers), prepare marketing materials to promote the development, finalise the design guidelines and finalise the financial analysis of the project, particularly the financial impact to the City.

VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION

That Council:

- 1 NOTES the Joondalup City Centre Development Project Status Report;
- 2 ENDORSES the Boas Place Concept Plan – Option 4B as detailed in Attachment 2 to this Report.

MOVED Cr Jones, SECONDED Cr Hollywood that Council:

- 1 **NOTES the Joondalup City Centre Development Project Status Report;**
- 2 **ENDORSES the *Boas Place Concept Plan – Option 4B* as detailed in Attachment 2 to this Report;**
- 3 **NOTES the new access way on the southern boundary of the site is to be part of the *Boas Place Concept Plan – Option 4B*, with construction and utilisation of the access way to connect Lakeside Drive and Grand Boulevard, paying due regard to the environmental area of Central Park.**

The Motion was Put and

CARRIED (6/0)

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

Appendix 1 refers

To access this attachment on electronic document, click here: [Attach1agnMPC170313.pdf](#)

Cr Poliwka entered the room at 6.38pm.

Mr Will Schofield of Woods Bagot Architecture left the room at 6.38pm.

Disclosure of interest affecting impartiality

Name/Position	Cr Philippa Taylor.
Item No./Subject	Item 3 - Ocean Reef Marina – Project Status.
Nature of interest	Interest that may affect impartiality.
Extent of Interest	Cr Taylor is a member of the Ocean Reef Sea Sports Club.

ITEM 3 OCEAN REEF MARINA - PROJECT STATUS

WARD North Central

RESPONSIBLE DIRECTOR Mr Garry Hunt
Office of the CEO

FILE NUMBER 04171, 101515

ATTACHMENTS

Attachment 1	Ocean Reef Marina Indicative Approvals Timeline (as at February 2017).
Attachment 2	Public Environmental Review Distribution List.
Attachment 3	Promotional materials distributed during the public advertising period.

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 Ocean Reef Marina project with particular emphasis on the public advertising of the Public Environmental Review document and the Metropolitan Region Scheme Amendment report.

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 28 November 2017:

- 1 Release for public submissions of the Metropolitan Region Scheme (MRS) Amendment report.
- 2 Release for informal public comment of the draft Negotiated Planning Outcome for Bush Forever Site 325 (NPO).
- 3 Release for public submissions of the Public Environmental Review (PER) document and appendices.

- 4 Release for informal public comment the draft preliminary Ocean Reef Marina Structure Plan (Structure Plan).
- 5 Implementation of the *Ocean Reef Marina Communication Strategy*.
- 6 State Government proponency.

Details of the above are provided in this report.

As far as possible the project is progressing in accordance with the Ocean Reef Marina Indicative Approvals Timeline (as at November 2016). The approvals timeline has been updated (Attachment 1 refers) to reflect the proposed delay in the instigation of an amendment to the City's district boundary which is the subject of a separate report to Council.

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

- 1 *Ocean Reef Marina Project Status report;*
- 2 *intention of the Chief Executive Officer to respond to submissions on the Public Environmental Review and Metropolitan Region Scheme Amendment as requested by the Office of the Environmental Protection Authority and the Department of Planning.*

BACKGROUND

1 Metropolitan Region Scheme Amendment

The City lodged the MRS amendment request with the WAPC in April 2014 and the amendment was initiated in June 2014.

2 Negotiated Planning Outcome for Bush Forever Site 325

To manage the potential impacts of the MRS Amendment on Bush Forever Site 325 the Western Australian Planning Commission (WAPC) requires finalisation and agreement of the NPO prior to final approval of the MRS Amendment.

Prepared by the City in collaboration with the Department of Planning (DoP), Department of Parks and Wildlife (DPaW) and the Office of Environmental Protection Authority (OEPA), these agencies provided in-principle support for the draft NPO and it was agreed that the document be made available to the public at the same time as the PER and MRS Amendment.

As noted by the Major Projects Committee at its meeting held on 28 November 2016 (Item 2 refers), the City was formally advised on 18 November 2016 that the WAPC had resolved to amend the MRS in accordance with the provision of the *Planning and Development Act 2005*.

Public advertising of the MRS Amendment commenced on 22 November 2016, closing on 24 February 2017.

3 Public Environmental Review

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.

Once the required investigations / studies were completed, the PER document and appendices were submitted for consideration by the OEPA. Following various amendments to the documents, 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.

On 21 October 2016 the City received advice from the OEPA that the amended PER documents were suitable for release for public review.

As previously agreed with the relevant agencies, the PER documents were made available for public review concurrently with the MRS Amendment report (22 November 2016 to 24 February 2017).

4 Ocean Reef Marina Structure Plan

The draft preliminary *Ocean Reef Marina Structure Plan* was also made available to the community at the same time as the PER, MRS Amendment and draft NPO.

As noted by the Major Projects Committee at its meeting held on 28 November 2016, formal consideration, public advertising and adoption of the Ocean Reef SP can only occur following gazettal of the MRS Amendment and amendments to the City's district boundary and *District Planning Scheme No. 2*. However it was considered desirable that the draft plan be released for the public to view and to submit informal comments.

5 Ocean Reef Marina Communications Strategy

To coincide with the release of the PER, MRS Amendment, draft NPO and draft preliminary *Ocean Reef Marina Structure Plan*, the *Ocean Reef Marina Communications Strategy* was prepared and endorsed by Council at its meeting held on 19 April 2016 (CJ065-04/16 refers). The addition to the strategy of a direct mail-out to all City households was requested by Council at its Special Meeting held on 29 August 2016 (JSC02-08/16 refers).

6 State Government Proponency

At its meeting held on 6 October 2015 (CJ176-10/15 refers) Council agreed to request the Minister for Planning to initiate actions to assume the lead role for the project. To facilitate this LandCorp was directed to undertake a review of the concept plan and feasibility. Following completion of this review, the State Government announced that it would assume the lead role for the project and a detailed business case and Cabinet submission would be prepared for consideration.

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.”*

DETAILS

1 Metropolitan Region Scheme Amendment 1270/41

MRS Amendment 1270/41 was formally advertised for public submissions on 22 November 2016. The amendment report was available to the community via the DoP website. The City's website provided detailed information on the submission process with links directly to the document.

The amendment report was prepared by the DoP and included information on the purpose and background to the amendment, EPA advice, scope of the amendment, the amendment process and the submission form.

Any person / entity making a written submission on proposed MRS amendments has the opportunity to personally present the basis of their submission to a sub-committee of the WAPC. As proponent the City made a submission in support of MRS Amendment 1270/41 and requested a public hearing to present the basis of this support. A separate submission in support of the amendment was also made by the City as the local government involved.

After considering submissions, the WAPC may make modifications to the amendment. The WAPC will then submit the amendment plans together with a *Report on Submissions* and a copy of all written submissions to the Minister for Planning for presentation to the Governor.

If the Governor approves, a copy of the plans of the amendment together with the *Report on Submissions* will be laid before each House of Parliament for 12 sitting days. Either House may, by resolution disallow an amendment within that time. As soon as the amendment is no longer subject to disallowance it becomes legally effective in the MRS (gazettal).

Prior to gazettal of the amendment, the following matters must be finalised:

- Public Environmental Review decision.
- Agreement on the NPO together with the associated legal agreement.
- Identification of, and agreement with, the waterways manager.

At the time of the preparation of this report, no information on the number of submissions received for MRS Amendment 1270/41 has been provided by the Department of Planning.

The City will engage with Elected Members with regard to the responses to submissions including, but not limited, to the submissions received from the decision-making agencies (DoP, DPaW, Department of Transport and Water Corporation).

2 Negotiated Planning Outcome for Bush Forever Site 325

The MRS Amendment Report states the following:

"The draft NPO requires a conservation area management plan to be developed for the land acquired for the conservation estate and a rehabilitation strategy prepared for the sites subject to rehabilitation which includes monitoring and reporting actions. Additional management strategies and actions to address potential impacts on the environment and provide long-term conservation outcomes for the surrounding Bush Forever site may also be required of the NPO.

The WAPC requires that the NPO be agreed to by the DoP, DPaW and the OEPA, prior to a final decision being made on the amendment. A legal agreement between the State of WA and the City of Joondalup is to be entered into, to ensure the obligations and agreements contained in the NPO are implemented.”

It should be noted that funding for the land acquisition and rehabilitation portions of the NPO will be the responsibility of the ultimate proponent for the project.

The DoP, DPaW and OEPA formally provided in-principle support for the draft NPO and it was agreed that the draft NPO would be made available for public review concurrently with the MRS Amendment report and PER documents.

While there is no formal process for seeking submissions on the NPO, it was also agreed that the City invite and receive comments / submissions from the public. All submissions will be provided in their entirety to the DoP, DPaW and OEPA and will be given due consideration during the finalisation of the NPO.

As at the public advertising closing date of 24 February 2017, the City had received four submissions that were classified as submissions for the NPO.

In addition to the NPO submissions received by the City, three submissions received for the PER include commentary regarding the NPO and have therefore been recorded as NPO submissions.

None of the submissions supported the clearing of vegetation within Bush Forever Site 325 to enable the development of the Ocean Reef Marina.

3 Public Environmental Review

The PER report and appendices were made available to the public via the City's website as well as the EPA's eConsultation Hub on 22 November 2016. In accordance with the statutory process, hard copies of the report were also made available at the following locations:

- JS Battye Library.
- State Library.
- Joondalup Library.
- Whitford Library.
- Woodvale Library.
- Duncraig Library.

The PER report was also provided to State Government decision-making agencies, the Cities of Wanneroo, Stirling, Perth and Fremantle and identified community groups and organisations (Attachment 2 refers).

By the public advertising closing date of 24 February 2017, the City had received requests from members of the public for a total of 12 hard copies, 15 CD copies and nine USB copies of the PER report.

In accordance with the statutory process, submissions on the PER were made to the EPA via its eConsultation Hub.

During the PER public advertising period the City provided the opportunity to be briefed on the contents of the PER report and appendices to the State Government decision making agencies and identified community groups and organisations. Briefing sessions were held with the following entities:

- Department of Fisheries.
- West Coast Abalone Divers Association and the WA Abalone Industry Association.
- Parks and Conservation Commission (formerly Marine Parks and Reserves Authority).
- Tourism WA.
- Urban Bushland Council.
- Joondalup Coast Care Forum.

While the invitation issued by the City was primarily to discuss the PER, other matters such as the MRS Amendment, draft NPO and draft preliminary *Ocean Reef Marina Structure Plan* were also discussed.

EAG6 – Environmental Assessment Guideline for timelines for environmental impact assessment of proposals (EPA, March 2013) indicates that the OEPA will provide the submissions to the proponent (in this case the City) within one week; OEPA comments on, and a summary of, the submissions to the proponent (in this case the City) three weeks from close of the public review period. There is no set timeframe for the proponent to provide responses to submissions as the extent, nature and requirements for responses will vary according to the submissions received.

Following receipt of acceptable responses to submissions, the OEPA has seven weeks to formally assess the proposal, prepare an assessment strategy and present the strategy and the proponent responses to submissions to a meeting of the EPA.

Further consultation on any draft recommended conditions (arising from the OEPA assessment and EPA meeting) is undertaken with the proponent, relevant decision making agencies and other government agencies.

The assessment report is then provided to the Minister for consideration.

On 1 March 2017 the City received a copy of all submissions on the PER from the OEPA. A total of 59 submissions were received by the OEPA by the closing date of 24 February 2017. Of those, 27 could be considered “positive”, 22 “negative” and 10 “neutral”.

The identity of individual submitters is confidential and only those submissions made by groups / entities are identified. Of the total of 59, submissions were received from the following:

- West Coast Abalone Divers Association.
- West Australian Fishing Industry Council and Abalone Industry Association of WA.
- Department of Transport.
- Econets Australia Pty Ltd.
- Water Corporation.
- Conservation and Parks Commission WA (formerly the Marine Parks Reserves Authority).
- Leeuwin Abalone Producers.
- Mullaloo Beach Community Group.
- Western Australian Museum.
- Department of Planning.

Once the City receives the OEPA comments on, and a summary of, the PER submissions any additional work required will be assessed by the Ocean Reef Marina Project Team and the preparation of responses will commence.

The City will engage with Elected Members with regard to the responses to submissions including, but not limited to, the submissions received from the decision-making agencies (DoP, DPaW, Department of Transport, Water Corporation, Department of Fisheries and Conservation and Parks Commission WA).

It should be noted that many of the responses will not require a response.

4 Draft Preliminary Ocean Reef Marina Structure Plan

As previously indicated, the draft preliminary *Ocean Reef Marina Structure Plan* was made available to the community review concurrently with the PER, MRS Amendment and NPO and people were invited to submit general comments on the plan.

At the public advertising closing date of 24 February 2017, the City had received 12 submissions on the draft preliminary *Ocean Reef Marina Structure Plan*. In addition, five submissions received for the PER included commentary on the plan and have therefore been recorded as draft preliminary Ocean Reef Marina SP submissions.

Of the 17 submissions received seven are classified as “positive”, eight “negative” and two “neutral”.

Inviting general comments on the draft preliminary *Ocean Reef Marina Structure Plan* enables the City to clarify issues raised by the community and where appropriate the City will provide detailed responses to the submissions in collaboration with town planning consultants Taylor Burrell Barnett.

Once finalised and formally submitted to Council for consideration, the *Ocean Reef Marina Structure Plan* will be formally advertised for public comment as required under *Planning and Development (Local Planning Schemes) Regulations 2015 – Structure Plan Framework*. As previously indicated, this can only occur following finalisation of the MRS Amendment process.

5 Implementation of the Ocean Reef Marina Communications Strategy

Following notification of the commencement date for public advertising, the City implemented the *Ocean Reef Marina Communications Strategy*. Attachment 3 lists the various promotion materials produced and distributed during the public advertising period.

As part of the communications strategy, approximately 250 people attended the three Community Forums conducted by the City:

- 6 December 2016, 12.00noon - Ocean Reef Sea Sports Club.
- 8 December 2016, 7.00pm - Ocean Reef Sea Sports Club.
- 15 February 2017, 3.00pm - Beaumaris Community Centre.

Following a presentation primarily focussing on how the community can make submissions and the contents of the various documents, Mayor Pickard chaired a question and answer session. Panellists included the Chief Executive Officer and members of the Ocean Reef Marina Project Team.

The questions asked, in general, indicated a high level of support for the project with the predominant themes being as follows:

- Amenities and design.
- Car parking and traffic.
- Existing clubs.
- Construction dates and staging.
- Environmental issues.
- Government support.
- Cost and funding.
- Consultation and approval process.
- Impact on surrounding areas.

In addition to requests for the PER document, the City also received a total of 61 telephone, email or personal contacts throughout the advertising period. Of these contacts 24 were positive regarding the marina, 16 negative with the remaining contacts more of a general nature (such as requesting further information, direction to the documents, business contacts and the like).

A paid Facebook campaign ran from 6 to 23 February 2017. The campaign resulted in a total of 3,480 link clicks to the City's website and reached 93,655 people.

6 State Government Proponency

The City continued to liaise with LandCorp regarding the detailed Business Case for the Ocean Reef Marina providing background information and advice and opinion as requested. The City understands that LandCorp has also prepared a Cabinet submission for consideration.

In early February 2017, Premier Colin Barnett announced that a WA Liberal Government would commit \$105 million to the Ocean Reef Marina project if re-elected at the 11 March 2017 state election.

The contribution to the project "would deliver the marina development, while onshore construction – which will see retail, residential and commercial precincts developed – would be undertaken by LandCorp, the City of Joondalup and private developers on a commercial basis".²

The WA Liberal Party announcement follows the announcement by the WA Labor Party that a Labor Government will invest \$40 million to the project. The media statement (released 15 January 2017) suggested that a McGowan Labor Government will proceed with a business case and include maximising private sector financing and the \$40 million investment over four years will drive the project forward.³

It is anticipated that the Memorandum of Understanding endorsed by Council at its meeting held on 20 September 2016 (CJ151-09/16 refers), or an amended MOU, will be executed following the State Election held on 11 March 2017.

² Source: <https://www.waliberal.org.au/latest-news/liberals-commit-to-ocean-reef-marina/> (accessed 2 March 2017).

³ Source: <https://www.markmcgowan.com.au/news/mark-mcgowan-and-wa-labor-give-ocean-reef-marina-the-green-light-1282> (accessed 2 March 2017).

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 and Development Control policies:

- *2.6: State Coastal Planning Policy.*
- *2.8: Bushland Policy for the Perth Metropolitan Region.*
- *3.7: Planning in Bushfire Prone Areas.*
- *1.8 Canal Estates and Artificial Water Developments.*

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 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 a desirable approvals 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, prepared by LandCorp with assistance from the City, will enable further risk management considerations to be identified, mitigated and / or managed.

Financial / budget implicationsCurrent financial year impact

Account no.	C1001.
Budget Item	Ocean Reef Marina.
Budget amount	\$ 882,313
Amount spent to date	\$ 293,891
Balance	\$ 588,494

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

Total Project Expenditure (as at 28 February 2017)

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	\$ 469,039
LESS Grants Received	<u>\$ (785,500)</u>
Total City Expenditure	\$5,458,098

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 *20 Year Strategic Financial Plan 2015-2016 to 2034-35* includes \$2,070,000 which represents capital expenditure for the 2015-16 and 2016-17 financial years. Further analysis of the impact on the *20 Year Strategic Financial Plan* 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 key stakeholders, State Government departments and agencies has been undertaken to ensure the relevant approvals processes proceed in accordance with expectations and agreed timelines.

While not a statutory requirement, the City invited comments on the draft NPO and draft preliminary *Ocean Reef Marina Structure Plan* during the public advertising of the MRS Amendment and PER. The comments on the draft NPO will be considered during the finalisation of the NPO in collaboration with DoP, DPaW and OEPA.

Where appropriate, the City will respond to comments received in the draft preliminary *Ocean Reef Marina Structure Plan*.

Formal consultation on the final *Ocean Reef Marina Structure Plan* will be undertaken in accordance with statutory requirements at the appropriate time.

COMMENT

Not applicable.

VOTING REQUIREMENTS

Simple Majority.

MOVED Cr Hollywood, SECONDED Cr Gobbert that the Major Projects Committee NOTES the:

- 1 Ocean Reef Marina Project Status Report;**
- 2 intention of the Chief Executive Officer to respond to submissions on the Public Environmental Review and Metropolitan Region Scheme Amendment as requested by the Office of the Environmental Protection Authority and the Department of Planning.**

The Motion was Put and

CARRIED (6/0)

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

Appendix 2 refers

To access this attachment on electronic document, click here: [Attach2agnMPC170313.pdf](#)

ITEM 4 JOONDALUP PERFORMING ARTS AND CULTURAL FACILITY – VERBAL UPDATE

WARD	North
RESPONSIBLE DIRECTOR	Mr Garry Hunt Chief Executive Officer
FILE NUMBER	75577, 101515
ATTACHMENTS	Nil
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

The Chief Executive Officer will provide a verbal update to the Major Projects Committee on the Joondalup Performing Arts and Cultural Facility community consultation process.

VOTING REQUIREMENTS

Simple Majority.

MOVED Cr Hollywood, **SECONDED** Cr Gobbert that the Major Projects Committee **RECEIVES** the verbal update from the Chief Executive Officer on the Joondalup Performing Arts and Cultural Facility community consultation process.

The Motion was Put and

CARRIED (6/0)

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

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 6.56pm; 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