

minutes

Office Development Committee

MEETING HELD ON **TUESDAY 3 DECEMBER 2013, MONDAY
17 MARCH 2014, TUESDAY
29 APRIL 2014 AND WEDNESDAY
21 MAY 2014**

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CITY OF JOONDALUP

MINUTES OF THE OFFICE DEVELOPMENT COMMITTEE MEETING HELD IN CONFERENCE ROOM 1, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON TUESDAY 3 DECEMBER 2013.

ATTENDANCE

Committee Members:

Mayor Troy Pickard	<i>Presiding Member</i>
Cr Liam Gobbert	
Cr Kerry Hollywood	
Cr Tom McLean, JP	<i>Deputy Presiding Member</i>
Mr Garry Hunt	Chief Executive Officer
Ms Dale Page	Director Planning and Community Development

Observer:

Cr Sam Thomas

Officers:

Mr Brad Sillence	Manager Governance
Mr Blignault Olivier	Manager City Projects
Mrs Genevieve Hunter	Senior Projects Officer
Mr Sean McLaughlin	Principal Legal Advisor
Mr John Byrne	Governance Coordinator
Mrs Lesley Taylor	Governance Officer

Guest:

Mr Simon Moen Technical Advisor, Partner - Jackson McDonald Lawyers

There were no members of the public and no member of the press in attendance.

DECLARATION OF OPENING

The Presiding Member declared the meeting open at 4.04pm.

DECLARATIONS OF INTEREST

Nil.

PUBLIC QUESTION TIME

Nil.

PUBLIC STATEMENT TIME

Nil.

APOLOGIES/LEAVE OF ABSENCE

Nil.

CONFIRMATION OF MINUTES

MINUTES OF THE OFFICE DEVELOPMENT COMMITTEE HELD 25 JULY 2013

MOVED Cr Gobbert, SECONDED Cr McLean that the minutes of the meeting of the Office Development Committee held on 25 July 2013 be confirmed as a true and correct record.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Mayor Pickard, Crs Gobbert, Hollywood, McLean, Mr Hunt and Ms Page.

MINUTES OF THE SPECIAL OFFICE DEVELOPMENT COMMITTEE HELD 5 NOVEMBER 2013

MOVED Ms Page, SECONDED Cr Gobbert that the minutes of the special meeting of the Office Development Committee held on 5 November 2013 be confirmed as a true and correct record.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Mayor Pickard, Crs Gobbert, Hollywood, McLean, Mr Hunt and Ms Page.

ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

Nil.

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

Item 1 – Confidential - Joondalup City Centre Commercial Office Development - Progress Report.

PETITIONS AND DEPUTATIONS

Nil.

MOTION TO CLOSE MEETING TO MEMBERS OF THE PUBLIC – [08122, 02154]

MOVED Cr Hollywood, **SECONDED** Mr Hunt that the Office Development Committee:

- 1** in accordance with Section 5.23(2)(d) of the *Local Government Act 1995* and clause 5.2(2) of the City's *Meeting Procedures Local Law 2013*, **RESOLVES** to close the meeting to members of the public to consider the following item:
 - 1.1** Item 1 Confidential – Joondalup City Centre Commercial Office Development – Progress Report;

- 2** **PERMITS** the following employees and external persons to remain in the room during discussion on Item 1 while the meeting is closed to members of the public as detailed in Part 1 above:
 - **Manager Governance, Mr Brad Sillence;**
 - **Manager City Projects, Mr Blignault Olivier;**
 - **Principal Legal Advisor, Mr Sean McLaughlin;**
 - **Senior Projects Officer, Mrs Genevieve Hunter;**
 - **Governance Coordinator, Mr John Byrne;**
 - **Governance Officer, Mrs Lesley Taylor;**
 - **Jackson McDonald Lawyers, Mr Simon Moen.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Mayor Pickard, Crs Gobbert, Hollywood, McLean, Mr Hunt and Ms Page.

REPORTS

ITEM 1 CONFIDENTIAL - JOONDALUP CITY CENTRE COMMERCIAL OFFICE DEVELOPMENT - PROGRESS REPORT

WARD	North
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	103036
ATTACHMENT	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').

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

Legal advice obtained, or which may be obtained, by the local government, and which relates to a matter discussed at the meeting.

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

MOVED Cr Hollywood, SECONDED Cr McLean that the Office Development Committee:

- 1 REQUESTS the Directors of Seven Capital (Perth) Pty Ltd, Messrs Simon Wan, Richard Doyle, Phil Carlin, Brett Lovett and Balbinder Sohal to provide the requested information, or appropriate justification as to why the City has not been provided the requested information, by 31 December 2013;**
- 2 REQUESTS the Directors of Seven Capital (Perth) Pty Ltd, Messrs Simon Wan and Richard Doyle, accompanied by Mr Brett Lovett, to present themselves in person to the Office Development Committee before 30 January 2014.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Mayor Pickard, Crs Gobbert, Hollywood, McLean, Mr Hunt and Ms Page.

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

MOVED Mr Hunt, SECONDED Cr Gobbert that the meeting be ADJOURNED and RECONVENED on an appropriate day and time as determined by the Presiding Member once the requested information has been received.

The Procedural Motion was Put and

CARRIED (6/0)

In favour of the Procedural Motion: Mayor Pickard, Crs Gobbert, Hollywood, McLean, Mr Hunt and Ms Page.

The meeting **ADJOURNED** at 5.29pm on Tuesday 3 December 2013 with the following committee members being present at that time:

Mayor Troy Pickard
Cr Liam Gobbert
Cr Kerry Hollywood
Cr Tom McLean, JP
Mr Garry Hunt
Ms Dale Page

RESUMPTION OF MEETING

The Presiding Member declared the **Office Development Committee** meeting that commenced on Tuesday 3 December 2013 **RESUMED** at **7.55am** on **Monday 17 March 2014**, the following persons being present:

ATTENDANCE

Committee Members:

Mayor Troy Pickard	<i>Presiding Member</i>
Cr Liam Gobbert	
Cr Kerry Hollywood	
Cr Tom McLean, JP	
Mr Garry Hunt	Chief Executive Officer
Ms Dale Page	Director Planning and Community Development

Officers:

Mr Brad Sillence	Manager Governance
Mr Blignault Olivier	Manager City Projects
Mrs Genevieve Hunter	Senior Projects Officer
Mrs Lesley Taylor	Governance Officer

Guests:

Mr Simon Moen	Technical Advisor, Partner - Jackson McDonald Lawyers
Mr Ryan Chorley	Jackson McDonald Lawyers

As Item 2 was deemed to be confidential in accordance with section 5.23(2)(c) of the *Local Government Act 1995*, the meeting remained closed to members of the public on its resumption.

**ITEM 2 CONFIDENTIAL - JOONDALUP CITY CENTRE
COMMERCIAL OFFICE DEVELOPMENT:
MEMORANDUM OF UNDERSTANDING AND OTHER
UNDERTAKINGS**

WARD	North
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	103036, 101515
ATTACHMENTS	Attachment 1 Draft Amended Memorandum of Understanding. Attachment 2 Draft Amended Memorandum of Understanding (marked-up version). <i>(Please Note: The Report and Attachment are confidential and will appear in the official Minute Book 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.

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

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

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

MOVED Cr McLean, SECONDED Cr Gobbert that the Office Development Committee:

- 1 DEFERS consideration of Item 2 – Confidential – Joondalup City Centre Commercial Office Development: Memorandum of Understanding and other Undertakings to a reconvened meeting of the Office Development Committee pending receipt of the requested due diligence documentation from Seven Capital (Perth) Pty Ltd by 28 March 2014;**
- 2 ADVISES Seven Capital (Perth) Pty Ltd of the Office Development Committee's decision.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Mayor Pickard, Crs Gobbert, Hollywood, McLean, Mr Hunt and Ms Page.

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

MOVED Mr Hunt, SECONDED Cr Hollywood that the meeting be ADJOURNED and RECONVENED on an appropriate day and time as determined by the Presiding Member once the requested information from Seven Capital (Perth) Pty Ltd has been received.

The Procedural Motion was Put and

CARRIED (6/0)

In favour of the Procedural Motion: Mayor Pickard, Crs Gobbert, Hollywood, McLean, Mr Hunt and Ms Page.

The meeting **ADJOURNED** at 8.53am on Monday 17 March 2014 with the following committee members being present at that time:

Mayor Troy Pickard
Cr Liam Gobbert
Cr Kerry Hollywood
Cr Tom McLean, JP
Mr Garry Hunt
Ms Dale Page

RESUMPTION OF MEETING

The Presiding Member declared the **Office Development Committee** meeting that commenced on Tuesday 3 December 2013 and re-convened on Monday 17 March 2014 **RESUMED** at 7.35am on **Tuesday 29 April 2014**, the following persons being present:

ATTENDANCE

Committee Members:

Mayor Troy Pickard	<i>Presiding Member</i>
Cr Tom McLean, JP	
Mr Garry Hunt	Chief Executive Officer
Ms Dale Page	Director Planning and Community Development

Officers:

Mr Brad Sillence	Manager Governance
Mr Blignault Olivier	Manager City Projects
Mrs Genevieve Hunter	Senior Projects Officer

Guests:

Mr Simon Moen	Technical Advisor, Partner - Jackson McDonald Lawyers
Mr Mitesh Ramji	Grant Thornton

As Item 3 was deemed to be confidential in accordance with sections 5.23(2)(c) and 5.23(2)(e)(iii) of the *Local Government Act 1995*, the meeting remained closed to members of the public on its resumption.

**ITEM 3 CONFIDENTIAL - JOONDALUP CITY CENTRE
COMMERCIAL OFFICE DEVELOPMENT:
MEMORANDUM OF UNDERSTANDING AND OTHER
UNDERTAKINGS**

WARD	North
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	103036, 101515
ATTACHMENTS	Attachment 1 Draft Amended Memorandum of Understanding. <i>(Please Note: The Report and Attachment is confidential and will appear in the official Minute Book 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.

This Report is confidential in accordance with sections 5.23(2)(c) and 5.23(2)(e)(iii) of the *Local Government Act 1995*, which also permits the meeting to be closed to the public for business relating to the following:

- *a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting.*
- *a matter that if disclosed would reveal information about the business, professional, commercial or financial affairs of a person.*

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

MOVED Mayor Pickard, SECONDED Ms Page that the Office Development Committee:

- 1 NOTES the current status of the ongoing negotiations with Seven Capital (Perth) Pty Ltd and the requirement for the guarantor to provide information to enable the City to progress the due diligence process;**
- 2 REQUESTS the Chief Executive Officer prepare a further report for the Office Development Committee providing advice and option/s on the City's ability to terminate the current EOI process and initiate a new EOI process for an integrated mixed use development on Lot 507 Boas Avenue and Lot 496 Davidson Terrace, Joondalup, that strengthens the existing civic precinct as the heart of the City Centre and which incorporates a minimum of:**
 - 2.1 12,000m² office accommodation;**
 - 2.2 hotel/short stay accommodation.**

The Motion was Put and

CARRIED (4/0)

In favour of the Motion: Mayor Pickard, Cr McLean, Mr Hunt and Ms Page.

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

MOVED Mr Hunt, SECONDED Ms Page that the meeting be ADJOURNED and RECONVENED on an appropriate day and time as determined by the Presiding Member once the requested report has been prepared.

The Procedural Motion was Put and

CARRIED (4/0)

In favour of the Motion: Mayor Pickard, Cr McLean, Mr Hunt and Ms Page.

The meeting **ADJOURNED** at 8.52am on Tuesday 29 April 2014 with the following committee members being present at that time:

Mayor Troy Pickard
Cr Tom McLean, JP
Mr Garry Hunt
Ms Dale Page

RESUMPTION OF MEETING

The Presiding Member declared the **Office Development Committee** meeting that commenced on Tuesday 3 December 2013 and re-convened on Monday 17 March 2014, and Tuesday 29 April 2014 **RESUMED** at 11.47am on **Wednesday 21 May 2014**, the following persons being present:

ATTENDANCE

Committee Members:

Mayor Troy Pickard	<i>Presiding Member</i>
Cr Liam Gobbert	
Cr Kerry Hollywood	
Cr Tom McLean, JP	
Mr Garry Hunt	Chief Executive Officer
Ms Dale Page	Director Planning and Community Development

Observer:

Cr John Chester

Officers:

Mr Brad Sillence	Manager Governance
Mr Blignault Olivier	Manager City Projects
Mrs Genevieve Hunter	Senior Projects Officer
Mrs Lesley Taylor	Governance Officer

Guests:

Mr Julius Skinner	Partner – Jackson McDonald Lawyers
Mr Ryan Chorley	Senior Associate - Jackson McDonald Lawyers

As Item 4 was deemed to be confidential in accordance with section 5.23(2)(d) of the *Local Government Act 1995*, the meeting remained closed to members of the public on its resumption.

ITEM 4 CONFIDENTIAL – JOONDALUP CITY CENTRE COMMERCIAL OFFICE DEVELOPMENT: OPTIONS TO PROGRESS

WARD	North
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO
FILE NUMBER	103036, 101515
ATTACHMENT	Attachment 1 Diagrammatic representation of Option 1 Attachment 2 Diagrammatic representation of Option 2 Attachment 3 Diagrammatic representation of Option 3 Attachment 4 Diagrammatic representation of Options 4 to 8 Attachment 5 Diagrammatic representation of Options 9 to 13. <i>(Please Note: The Report and Attachments are confidential and will appear in the official Minute Book 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.

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

Legal advice obtained, or which may be obtained, by the local government, and which relates to a matter discussed at the meeting.

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

MOVED Cr Hollywood, SECONDED Cr Gobbert that:

1 Council:

- 1.1 TERMINATES the current Expression of Interest process for a Commercial/Office Development on City Owned Property which was initiated by Council at its meeting held on 23 October 2012 (Item CJ217-10/12 refers);**
- 1.2 DETERMINES that Seven Capital (Perth) Pty Ltd is no longer the preferred respondent to the Request for Expressions of Interest which was advertised by the City on 14 November 2012;**
- 1.3 DETERMINES not to enter into a Memorandum of Understanding with Seven Capital (Perth) Pty Ltd;**
- 1.4 REQUESTS the Chief Executive Officer to end all dealings with Seven Capital (Perth) Pty Ltd with respect to the project, the subject of the Request for Expressions of Interest which was advertised by the City on 14 November 2012;**
- 1.5 REQUESTS the Chief Executive Officer to:**
 - 1.5.1 forward a notice of termination to Seven Capital (Perth) Pty Ltd;**
 - 1.5.2 advise Seven Capital (Perth) Pty Ltd of Council's decisions;**

2 the Office Development Committee INITIATES a new Expression of Interest process, the terms of which differ from the original Expression of Interest, for an integrated mixed use development over both Lot 507 Boas Avenue and Lot 496 Davidson Terrace, Joondalup (as outlined in Option 5 of this Report), that strengthens the existing civic precinct as the heart of the City Centre and which incorporates a minimum of:

- 2.1 12,000m² of office development;**
- 2.2 Hotel/short stay accommodation;**

3 the Expression of Interest in part 2 above BE MODIFIED to reflect that the preferred position of Council is that the City own and operate the car park component within the development site.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Mayor Pickard, Crs Gobbert, Hollywood, McLean, Mr Hunt and Ms Page.

MOTION TO GO TO OPEN DOORS – [02154, 08122]

MOVED Mr Hunt, SECONDED Ms Page that in accordance with clause 5.2(3)(b) of the *City of Joondalup Meeting Procedures Local Law 2013*, the Office Development Committee meeting be now REOPENED TO THE PUBLIC.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Mayor Pickard, Crs Gobbert, Hollywood, McLean, Mr Hunt and Ms Page.

There were no members of the public or press in attendance.

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 12.29pm; the following committee members being present at that time:

Mayor Troy Pickard
Cr Liam Gobbert
Cr Kerry Hollywood
Cr Tom McLean, JP
Mr Garry Hunt
Ms Dale Page