



City of  
**Joondalup**

**Business Plan  
For a Major Land Transaction**

**The Acquisition of Land and Construction  
of a Cultural Facility**

**July 2004**

## **INTRODUCTION**

This business plan is prepared to comply with the provisions of Section 3.59 of the Local Government Act 1995 and the Local Government Act (Functions and General) Regulations 1996.

This section of the Act provides that all **major land transactions** require a business plan to be prepared prior to entering into the transaction. It is the City's intent to acquire 7919 square metres of land and construct a Cultural facility on the acquired site.

## **SITE DESCRIPTION**

The land is a 7919 square metre site situated within the Joondalup City Centre, located on the north western corner of Lot 500 having its main frontage to Grand Boulevard, Joondalup. (Figure 1)

The area is situated on the eastern side of Grand Boulevard immediately to the south of Hampton Court and the car park associated with Joondalup Central Park. The Joondalup TAFE Campus and the WA Police Academy are located directly to the east and the Edith Cowan University Joondalup Campus is located to the south of Kendrew Crescent. The City of Joondalup offices and the Lakeside Joondalup Shopping Centre are both located within 500 metres to the north and west of the subject land.

## **TITLE PARTICULARS**

The registered proprietor is currently the Minister for Training, with the land described as:

Lot: 500 on Plan 24182 and portion of the land contained in Certificate of Title Volume 2202 Folio 73.

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

The North West Metropolitan region, comprising the Cities of Joondalup and Wanneroo, remains among the fastest growing regions in Australia. The current combined resident population is 245,000 and this is expected to grow by an average rate of 2.1 percent annually, to reach a projected 430,000 by 2031. It is this population growth that has driven the need for performing arts facilities in Perth's northern corridor.

There has been an overall expectation that a performing arts facility would be provided in Joondalup for over 30 years. The former City of Wanneroo and LandCorp commissioned Griffith University to develop a Cultural Plan with the resultant "Joondalup - A Cultural Plan", a blueprint for the development of a cultural facility that would be central to the vitality, viability and development of the north metropolitan region. This Cultural Plan was a ten year plan delivered in 1992 and the City has commissioned a consultant to review the plan and provide a new ten year plan for the period 2004 to 2014. This commission is almost completed and the draft plan also indicates the need for a cultural facility in the Joondalup region.

To obtain demographic and financial analysis, as well as to consult with the community and professional organisations, educational institutions and employment and training providers and other significant stakeholders within the region, the City commissioned Australian Pacific Projects (APP) to conduct a feasibility study for the establishment of the Joondalup Regional Performing Arts Centre (JRPAC) in 1999. The feasibility study was completed in March 2001.

In September 2001, Council endorsed the APP report that recommended that the Joondalup Regional Performing Arts Centre (JRPAC) be built in two stages at an estimated cost of \$46 million. Following this endorsement, Council attempted, unsuccessfully, to obtain support through capital funding from the State Government and other stakeholders.

Council subsequently appointed arts consultants Graeme Walne and Peter Alexander in 2002 to test the outcomes of the APP report in order to further refine the technical, spatial and financial requirements of the proposed JRPAC. This appointment also required the consultant to identify potential sites for the establishment of the Performing Arts Centre as well as potential funding sources.

The Walne & Alexander study identified the preferred site as the TAFE land adjacent to Central Park and facing Grand Boulevard.

Strong support has been demonstrated on the part of the community and other stakeholders (local schools, performing arts and cultural organisations, State Government Departments, and other local governments) for the concept of a centrally located performing arts centre in Joondalup containing a range of facilities. Significant and immediate demand has been identified on the part of performing arts groups and organisations within the region for quality facilities in which to develop and present their work to local audiences. This demand has been confirmed through

the major feasibility study (APP, March 2001) and the resourcing study (Walne & Alexander, December 2002).

The City recognises that when the Walne & Alexander resourcing study was undertaken to determine the size and scope of the JRPAC, there was no replacement venue planned for the Playhouse Theatre, which has since been announced by the State Government. Council recently resolved to review the previously endorsed concept design to ensure that the JRPAC remains appropriate to the region and complementary, not competitive, to the network of facilities throughout the State and the Perth metropolitan region. It is envisaged that once this review is completed and following endorsement by Council, the concept design will be advertised for public comment.

While it is currently undecided due to the review status, the concept design for the JRPAC could potentially include a leased area/tenancy for purposes complementary to the cultural facility such as a recording studio or bar/café. If this were the case, this information would be provided for public comment during advertising of the concept design, once Council has endorsed it.

There may also be the potential for the City to contract out the management of the cultural facility, depending on the ultimate scope and use of the facility. Any decision on the management of the cultural facility would be the subject of Council deliberation once the project has progressed sufficiently to make an informed decision.

Upon completion, the Joondalup Regional Performing Arts Centre will deliver considerable benefits to the community and the region, offering regional employment opportunities within the JRPAC as well as in local businesses within the Centre's sphere of influence.

The City, in conjunction with Department of Education and Training and West Coast College of TAFE Joondalup Campus, is now in a position to proceed with confidence with planning for the construction of the JRPAC in a location adjoining the West Coast College Hospitality Training Centre. These combined projects will jointly benefit from the co-location of shared services and infrastructure in addition to the JRPAC receiving benefit from and supporting the Hospitality Training Centre. This is consistent with the City's strategic objectives outlined in the 2003-2008 Strategic Plan:

- 1.1 – To develop, provide and promote a diverse range of lifelong learning opportunities
- 1.2 – To meet the cultural needs and values of the community
- 3.1 – To develop and maintain the City's assets and built environment.

The acquisition of this prominent site from the Department of Education and Training will enable the City to progress with the development of a landmark building to house the JRPAC to meet the cultural development needs of the City of Joondalup.

The acquisition of this site will also enable the City to explore the potential opportunities for use of the land originally set aside for the JRPAC, being the present carpark between the City of Joondalup Building and Boas Avenue. The various opportunities for development of this site for uses that would complement its strategic location are currently being considered and will be the subject of a future report to Council.

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

Other performing arts facilities in the district are school based and there is no expected effect on other persons by the construction of a cultural facility for the Joondalup Region.

## **EXPECTED FINANCIAL EFFECT ON THE LOCAL GOVERNMENT**

### **Site Valuation**

A Valuation Brief was jointly prepared by officers from the Department of Education and Training and the City and forwarded to the Valuer Generals Office to provide a valuation of the subject land. The City received the final valuation report on 8 September 2003.

### **Site Negotiations**

On 17 December 2002, Council agreed in principle to identify the TAFE land adjacent to Central Park and facing Grand Boulevard as the preferred site for the JRPAC, as recommended in the Walne & Alexander study.

The City, West Coast College of TAFE and the Department of Education and Training signed a Letter of Understanding, agreeing to enter into negotiations to locate the proposed JRPAC on or adjacent to that portion of land occupied by West Coast College of TAFE Joondalup Campus.

At its meeting of 29 April 2003, Council authorised the Chief Executive Officer to enter into negotiations with the Department of Education and Training and West Coast College of TAFE for purchase of the land required for the JRPAC.

A confidential report was presented at the Council Meeting of 30 September 2003 recommending acquisition of land for the proposed JRPAC (CJ224-09/03 refers). Council resolved to:

- “1 Note the successful negotiations between the City and the Department of Education and Training (DET) for the purchase by the City of an 8150 square metre site from DET for the construction of the Joondalup Regional Performing Arts Centre;

- 2 Endorse the A/CEO to finalise the contract of sale for the site, based on the Valuer General's Office Valuation Report, for a final consideration of \$595,000;
- 3 Request the Administration to urgently undertake the process to modify that land previously set aside for the JRPAC within the area bounded by Boas Avenue, Central Walk, Central Park and Lakeside Drive.”

Since Council's resolution, ongoing discussions have been held with the Department of Education and Training (DET) in relation to a Contract of Sale for the parcel of land on the West Coast College of TAFE Joondalup Campus. Following agreement on the terms and Ministerial approval of the sale, a Contract of Sale has been drafted.

The Subdivision plan has been created, copied to the City for information and the subdivision application has been lodged with the WA Planning Commission (WAPC). Meeting the Conditions of Subdivision will be the City's cost as per the original valuation report.

The proposed area for the JRPAC lot will now be 7919sqm as a result of a requirement to adjust the boundary line by 2.6 metres to accommodate the proposed new access road to both the JRPAC and the Hospitality Training Centre (from 8150sqm previously endorsed by Council – CJ224-09/03 refers).

This slight reduction in area originally negotiated does not impact on the City's ability to construct the JRPAC and the draft Contract of Sale contains a clause providing a square metre rate calculation in the event of an increase or decrease to the 8150sqm lot size originally negotiated. The reduction of 231 sqm to the area therefore resulted in a reduction in purchase price of \$16,828.35.

The intention is to purchase the site from the Department of Education and Training for an amount of \$578,171.65.

The funding strategy put in place by the City includes the acquisition of the site and the establishment of a facility reserve contributing at a rate of \$1 million per annum, to be escalated closer to the period of construction and having a forecast balance of \$6 million by 2007.

It is anticipated that State Government funding in the range of \$4.8 to \$9.0 million will be sought in support of this regional cultural facility. The balance is expected to be contributed by private sources with whom the City has held very positive discussions and received good direction.

## **EXPECTED EFFECT ON MATTERS REFERRED TO IN THE LOCAL GOVERNMENT'S CURRENT PRINCIPAL ACTIVITIES PLAN PREPARED UNDER SECTION 5.56**

Section 5.56 of the Local Government Act relates to the Principal Activity Plan for the City for the ensuing 5-year term. The published Principal Activity Plan for the City of Joondalup for the Community Development Services business unit for 2003/2004 to 2007/2008 states the following:

Key Objectives:

- To keep informed of community needs and identify gaps in order to ensure that needs are met
- To take a leading role in the networking of services by developing partnerships and alliances across all sectors
- To develop opportunities for community education and information dissemination information to the community
- To support the development of a community with a strong and unique identity, and encourage and facilitate community pride and self sufficiency
- Provide and maintain a safe and secure environment for the community to live and work in the City
- Focus on the humanistic perspective/social justice in all we do.

Activities to be undertaken by the Community Development Services business unit to achieve these objectives are listed as follows:

- Joondalup Festival and Summer Events
- Cultural Events
- Youth and Family Education Services
- Seniors Interests
- Youth Advisory Council
- Community Development
- Financial Counselling
- Personal Well being
- Anchors Youth Drop-in Centre
- Youth Holiday Programs
- Sports Competitions
- Recreational Pursuits
- Community Services Funding Programme
- Community Transport Services
- Community Security Patrols
- Community Education
- Promotion of Healthy Active Lifestyle

- Sporting Club Development
- Leisure Centres

Performance measures for the Community Development Services business unit of the City include:

- Customer satisfaction with accessibility and quality of service
- Capacity to undertake the Business Plan in accordance with available funds
- Ability to meet the requirements of the City of Joondalup's customer service charter
- Provision of programs and services to satisfactorily meet community need
- Provision of support services to the community
- To monitor the NGS Security contract against agreed performance measures
- Projects completed to the agreed stage and standard and within the specified budget appropriation
- Provide well managed leisure facilities that offer programs and services which meet the needs of the community

This project will enable the Community Development Services business unit to undertake the activities outlined in the Principal Activity Plan in relation to cultural events and activities in a way that better meets identified demand and community needs.

#### **ABILITY OF THE LOCAL GOVERNMENT TO MANAGE THE UNDERTAKING OR THE PERFORMANCE OF THE TRANSACTION**

The City of Joondalup ordinarily administers many land transactions and contracts in the day-to-day management of its assets and community facilities. The skills of its members and officers are adequate to meet the requirements of this proposal.

In accordance with the City's management of designated Corporate Projects, a Project Plan for the JRPAC was prepared in conjunction with Clifton Coney Group (CCG), Project and Development Managers. The City has established a project team to deliver the JRPAC project on behalf of the Council. This team will include specialist consultants to assist in the design, management, construction and commissioning of the new facility.

## **CONCLUSION**

The City of Joondalup has been working towards the construction of performing arts facilities for many years and has invested considerable resources into community research and design studies. This research has placed the City in a position to proceed with the development on the basis of proven community need.

The City continues to invest considerable resources into cultural development and manages the Arts Development Scheme as an audience development initiative in support of future facilities. The Scheme develops partnerships with professional performing arts companies to increase community access to the performing arts in the northern suburbs and build audiences and audience databases for the future.

The City is keen to see the Joondalup facilities as part of the larger strategic vision for the provision of cultural facilities in Perth's metropolitan area. It is of considerable advantage that Joondalup has reached a stage where it knows what needs to be built to meet the region's needs.

The purchase of the 7919 square metre site facing Grand Boulevard and adjacent to the Hospitality Training Centre, the TAFE Campus, Edith Cowan University and the WA Police Academy offers the City an ideal site for its future cultural facility, in a location which will activate the street front on Grand Boulevard and contribute to a lively entrance to the Joondalup City Centre.

The acquisition of land and construction of the Cultural facility will exceed the threshold specified in the Local Government Act 1995. Accordingly, this business plan has been prepared to satisfy the provisions of Section 3.59 dealing with major land transactions.