



AGENDA

FOR POLICY AND PLANNING COMMITTEE MEETING TO BE HELD ON

18 JULY 2016 AT 6:30 PM

IN THE COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY

MEMBERS

Cr L Caruso (Chairman)
Mayor G Aldridge
Cr D Balaza
Cr S Bedford
Cr D Bryant
Cr C Buchanan
Cr G Caruso
Cr R Cook
Cr E Gill
Cr D Pilkington
Cr S Reardon (Deputy Chairman)
Cr D Proleta
Cr G Reynolds
Cr B Vermeer
Cr S White
Cr J Woodman
Cr R Zahra

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager Community Development, Ms J Trotter
General Manager City Infrastructure, Mr M van der Pennen
Manager Governance, Ms T Norman
Manager Communications and Customer Relations, Mr M Bennington
Team Leader Corporate Communications, Mr C Treloar
Governance Coordinator, Ms J Rowett
Governance Support Officer, Ms K Boyd

APOLOGIES

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

Presentation of the Minutes of the Policy and Planning Committee Meeting held on 20 June 2016.

Presentation of the Minutes of the Confidential Policy and Planning Committee Meeting held on 20 June 2016.

REPORTS

Administration

- 1.0.1 Future Reports for the Policy and Planning Committee..... 15

Community Development

- 1.1.1 Collaboration Agreement between Council and Community Centres Annual Update 19
- 1.1.2 Proposed 2017 Salisbury Secret Garden Program & Budget..... 25
- 1.1.3 Minutes of the Tourism and Visitor Sub Committee meeting held on Monday 11 July 2016 37
- 1.1.4 Minutes of the Strategic and International Partnerships Sub Committee meeting held on Tuesday 12 July 2016 41

Urban Development

- 1.3.1 Establishment of a Precinct at Greater Edinburgh Parks - Update..... 47

OTHER BUSINESS

CONFIDENTIAL ITEMS

1.10.1 Update on the Northern Connector

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on that grounds that:

1. *Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
 - *it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and*
 - *information the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
 - *The report and discussion will refer to sensitive commercial information in relation to acquisition of and associated compensation for Council Land with the Commissioner of Highways*

*On that basis the public's interest is best served by not disclosing the **Update on the Northern Connector** item and discussion at this point in time.*
3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

1.10.2 Salisbury Community Hub - Site Selection

Pursuant to Resolution 1242 of 25/07/2017, item 1.10.2 is now public (except Attachment 5), effective 28/07/2017

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if Council so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on that grounds that:

1. *Pursuant to Section 90(2) and (3)(d)(i) and (d)(ii) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
 - *it relates to commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and*
 - *commercial information of a confidential nature (not being a trade secret) the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
 - *Non-disclosure of the matter and discussion of this item in confidence would protect confidential information relating to future proposed commercial negotiations regarding the purchase and/or disposal of land and/or assets within the Salisbury City Centre so as not to prejudice Council's commercial position.*

*On that basis the public's interest is best served by not disclosing the **Salisbury Community Hub - Site Selection** item and discussion at this point in time.*
3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

CLOSE



**MINUTES OF POLICY AND PLANNING COMMITTEE MEETING HELD IN THE
COUNCIL CHAMBER, 12 JAMES STREET, SALISBURY ON**

20 JUNE 2016

MEMBERS PRESENT

Cr L Caruso (Chairman)
Mayor G Aldridge
Cr D Balaza
Cr D Bryant
Cr G Caruso
Cr E Gill
Cr D Pilkington
Cr S Reardon (Deputy Chairman)
Cr D Proleta
Cr B Vermeer
Cr S White
Cr J Woodman

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Development, Mr T Sutcliffe
General Manager Community Development, Ms J Trotter
General Manager City Infrastructure, Mr M van der Pennen
Manager Governance, Ms T Norman
Governance Coordinator, Ms J Rowett
Governance Support Officer, Ms K Boyd

The meeting commenced at 6:30 pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

Apologies were received from Cr C Buchanan, Cr G Reynolds and Cr R Zahra.

LEAVE OF ABSENCE

Nil.

PRESENTATION OF MINUTES

Moved Cr D Proleta
Seconded Cr S Reardon

The Minutes of the Policy and Planning Committee Meeting held on 16 May 2016, be taken and read as confirmed.

CARRIED

REPORTS

Administration

1.0.1 Future Reports for the Policy and Planning Committee

Moved Cr G Caruso
Seconded Cr D Balaza

1. The information be received.

CARRIED

Community Development

1.1.1 Multicultural Event Proposal

Cr D Balaza declared a material conflict of interest on the basis of being a member of the governing body of the Salisbury City Centre Business Association.

Cr D Balaza left the meeting at 06:32 pm.

Moved Cr G Caruso
Seconded Cr E Gill

1. The staging of a multicultural event in September 2017 in John Street be endorsed.
2. The Salisbury City Centre Business Association be contracted to deliver the multicultural event in September 2017.
3. A non-discretionary budget bid, of \$10,000 be included as a second quarter budget review.

CARRIED

Cr D Balaza returned to the meeting at 06:32 pm.

1.1.2 City of Salisbury Christmas Carols Event 2016

Moved Cr D Balaza
Seconded Cr S White

1. Council offer to provide in kind support, specifically event planning advice and promotion of the events in Salisbury Aware and via the City of Salisbury's social media to the 2016 Christmas Carol events to be held at Tyndale Christian School and Mawson Lakes.
2. Council continue to investigate and consult with service groups such as Lions/Rotary for a possible partnership for Christmas Carols to be held at Pioneer Reserve in 2017.

CARRIED

Cr G Caruso moved a FORMAL MOTION that the MOTION be PUT
Seconded Cr D Proleta

CARRIED

*A **DIVISION** was requested by Cr D Bryant and the following members responded to the Chairman's call as having voted in favour of the **FORMAL MOTION**:*

Mayor G Aldridge, Crs G Caruso, E Gill, D Pilkington, S White, D Proleta and J Woodman

*The following members responded to the Chairman's call as having voted against the **FORMAL MOTION**:*

Crs L Caruso, D Balaza, D Bryant, S Reardon and B Vermeer

*The Chairman declared the **FORMAL MOTION** was **CARRIED***

The MOTION on being PUT was CARRIED.

1.1.3 Minutes of the Youth Council Sub Committee meeting held on Tuesday 14 June 2016

1.1.3 YC1 Twelve25 Salisbury Youth Enterprise Centre - June Update

Moved Cr D Balaza
Seconded Cr S White

1. That the information be received and noted.

CARRIED

1.1.3 YC2 Youth Action Plan

Moved Cr D Balaza
Seconded Cr S White

1. The contents be received and noted.

CARRIED

1.1.3 YC3 Working Party Update

Moved Cr D Balaza
Seconded Cr S White

1. Secret ballots be conducted where there is more than one nomination for each position of Working Party Leader.

YC 3.1 Appointment of Team Leader – Development Health Working Party

1. That the information be received.
2. Rebecca Etienne and Cameron Rowe be appointed as joint Team Leaders for the Development Health Working Party.

YC 3.2 Appointment of Team Leader – Education/Employment Working Party

1. Taylor Sawtell be appointed as Team Leader for the Education/Employment Working Party.

CARRIED

1.1.3 YC4 Apology - Code of Conduct Complaint 01/2016

Moved Cr D Balaza
Seconded Cr S White

1. The apology submitted by Cr White in accordance with the requirements of Part 4 of Council Resolution 1058/2016 (26/04/2016) and as set out in Attachment 1, Item No. YC4, Youth Council Sub Committee, 14/06/2016 be received.

CARRIED

1.1.4 City of Salisbury - Communications Plan

Moved Mayor G Aldridge
Seconded Cr J Woodman

1. The information be received.
2. The City of Salisbury Communications Plan, forming Attachment 1 to this report (Policy and Planning Committee, Item No. 20/06/2016) be adopted.

CARRIED

Urban Development

1.3.1 Globe Derby Park - Encumbrance

Moved Cr J Woodman
Seconded Mayor G Aldridge

1. That the report be received and noted.
2. That staff write to all property owners in Globe Derby Park to:
 - a) Encourage them to abide by the spirit and intent of the Encumbrance
 - b) Advise that Council is only able to enforce matters contained in the Encumbrance that are in accordance with its powers under the *Development Act 1993* and in accordance with its Enforcement policy.
3. That potential changes to the Rural Living Zone for Globe Derby Park to introduce more explicit design elements from the Encumbrance (and other areas with design based encumbrances) be included in the next Strategic Directions Report process.

CARRIED

1.3.2 Salisbury City Centre DPA and Urban Design Framework

Cr D Pilkington left the meeting at 06:53 pm.

Cr D Pilkington returned to the meeting at 06:54 pm.

Cr B Vermeer left the meeting at 07:08 pm.

Cr B Vermeer returned to the meeting at 07:09 pm.

Cr D Balaza sought leave of the meeting to speak for a second time and leave was granted.

Moved Cr D Balaza

Seconded Cr E Gill

1. The City of Salisbury – Salisbury City Centre Development Plan Amendment, incorporating the amendments included in The Amendment document provided as Attachment 6 to this report, be endorsed as being a suitable variation to Council's Development Plan.
2. The Chief Executive Officer sign the Schedule 4B Certificate certifying that the Salisbury City Centre Development Plan Amendment is suitable for approval, and submit the DPA and supporting documents to the Minister for Planning requesting the Minister's approval pursuant to Section 25(14) and (15) of the *Development Act 1993*.
3. That the Salisbury City Centre Urban Design Framework, amended to change the wording on page 69 of the Urban Design Framework under point 8 to read "continue redevelopment of Salisbury Oval" as set out in attachment 2, Item number 1.3.2, Policy and Planning Committee, 20 June 2016 be endorsed
4. The General Manager City Development be authorised to make minor administrative amendments and changes as necessary to the Salisbury City Centre DPA, that do not alter the approved policy intent of the DPA, to ensure it is suitable for approval by the Minister.

With leave of the meeting and consent of the seconder Cr D Balaza
VARIED the MOTION as follows:

1. Consideration of the Salisbury City Centre DPA and Urban Design Framework be deferred until the Salisbury Oval Master Plan has been presented to Council.

LOST

Cr D Bryant MOVED that the item be laid on the table.
The motion lapsed for want of a seconder.

*A **DIVISION** was requested by Cr Balaza and the following members responded to the Chairman's call as having voted in favour of the **MOTION**:*

Crs D Balaza, D Bryant, S Reardon and B Vermeer

*The following members responded to the Chairman's call as having voted against the **MOTION**:*

Mayor G Aldridge, Crs L Caruso, G Caruso, E Gill, D Pilkington, D Proleta, S White and J Woodman

*The Chairman declared the **MOTION** was **LOST***

Moved Cr J Woodman

Seconded Cr G Caruso

1. The City of Salisbury – Salisbury City Centre Development Plan Amendment, incorporating the amendments included in The Amendment document provided as Attachment 6 to this report, be endorsed as being a suitable variation to Council's Development Plan.
2. The Chief Executive Officer sign the Schedule 4B Certificate certifying that the Salisbury City Centre Development Plan Amendment is suitable for approval, and submit the DPA and supporting documents to the Minister for Planning requesting the Minister's approval pursuant to Section 25(14) and (15) of the *Development Act 1993*.
3. That the Salisbury City Centre Urban Design Framework forming Attachment 2 to the Policy and Planning Committee Agenda report of 20 June 2016 be endorsed.
4. The General Manager City Development be authorised to make minor administrative amendments and changes as necessary to the Salisbury City Centre DPA, that do not alter the approved policy intent of the DPA, to ensure it is suitable for approval by the Minister.

CARRIED

Cr D Bryant MOVED that the item be laid on the table.
The motion lapsed for want of a seconder.

1.3.3 Planning Development and Infrastructure Act 2016

Cr Vermeer declared a perceived conflict of interest on the basis of his employment assisting a Member of Parliament. Cr Vermeer advised he would manage the perceived conflict by remaining in the meeting, declaring it on the public record and voting in the public interest.

Cr D Balaza left the meeting at 07:35 pm.

Cr D Balaza returned to the meeting at 07:38 pm.

Moved Cr B Vermeer

Seconded Cr D Bryant

1. The information be received.
2. That Item 1.3.3, Policy and Planning Committee, 20/06/2016 form the basis of a response to the Minister for Planning, in relation to the Planning, Development and Infrastructure Act, and in particular the Minister for Planning be advised that:
 - Council considers it important that the public engagement information is consistent with the legislation, and that apparent inconsistencies between the two require review and resolution
 - Further detail and specification is required of the exemptions that will be applied to the General Infrastructure Scheme
 - Clarification is required of the interaction/interrelationship between Development Growth Areas, Joint Planning Boards and Agreements, and precincts/Precinct Authorities under the Urban Renewal Act, particularly as it relates to infrastructure provision and charges
 - Council is keen to work with the State Government and stakeholders in the planning and development system to develop the various codes, systems and processes to ensure an effective and efficient systemwith a copy to be provided to the Shadow Minister for Planning, all local state members of the House of Assembly and Crossbench Members of the Legislative Council,
3. That further reports be provided to Council in relation to the progressive roll-out of the Planning, Development and Infrastructure Act as that occurs.

CARRIED

The majority of members present voted IN FAVOUR of the MOTION

Cr B Vermeer voted IN FAVOUR of the MOTION

1.3.4 Adapting Northern Adelaide Regional Plan

Cr D Bryant declared a perceived conflict of interest on the basis of his employer tendering on a project which is part of the Adapting Northern Adelaide Regional Plan. Cr Bryant advised he would manage the perceived conflict by leaving the meeting.

Cr D Bryant left the meeting at 07:43 pm.

Cr G Caruso declared a perceived conflict of interest on the basis of representing his employer on committees dealing with this issue in other regions and advised he would manage the perceived conflict by leaving the meeting.

Cr G Caruso left the meeting at 07:44 pm.

Moved Mayor G Aldridge

Seconded Cr J Woodman

1. That the Adapting Northern Adelaide Regional Plan (Attachment 1) and associated Sector Agreement (Attachment 2) to Item No. 1.3.4, Policy and Planning Committee, 20/06/2016 be endorsed.
2. The General Manager City Development be authorised to make minor administrative amendments and changes as necessary to the Adapting Northern Adelaide Plan and Sector Agreement that do not alter the approved intent, but incorporate comments and inclusions that may arise through the approval process of other project partners.

CARRIED

Cr G Caruso returned to the meeting at 07:48 pm.

Cr D Bryant returned to the meeting at 07:48 pm.

1.3.5 Review of the Residential Parks Act 2007

Moved Cr J Woodman

Seconded Cr S Reardon

1. The report be received.
2. That the submission set out in Attachment 2 (Item No. 1.3.5, Policy and Planning Committee, 20/06/2016) be endorsed and submitted to Consumer and Business Services by 8 July 2016, requesting the following matters be taken into consideration in the review of the Residential Parks Act 2007:
 - a. That proposed legislative measures to improve disclosure give due consideration to language and literacy issues in the community to ensure it is in a form that is reasonably comprehensible to the general public and the diverse multicultural community.
 - b. Additional safeguards should aim to strike a reasonable balance between affording greater protection for residents whilst also supporting an appropriate degree of flexibility for owners of residential parks.

- c. That the potential consequential effects of any legislative changes that may discourage long-stay sites in favour of short-term tourist sites be fully considered in the Review.
- d. That an associated review of planning policy that applies to Caravan and Tourism Park Zones be considered to facilitate more effective development compliance.

CARRIED

OTHER BUSINESS

Nil

CONFIDENTIAL ITEMS

1.10.1 Salisbury Community Hub - Status Update

Moved Cr D Balaza

Seconded Cr J Woodman

1. *Pursuant to Section 90(2) and (3)(b)(i) and (ii) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
 - *it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council;*
 - and*
 - *information the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
 - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations;*
 - *non disclosure of discussion and consideration of the Salisbury Community Hub – Status Update report would protect Council's commercial interests and not risk its future negotiation position.*

*On that basis the public's interest is best served by not disclosing the **Salisbury Community Hub - Status Update** item and discussion at this point in time.*
3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

CARRIED

The meeting moved into confidence at 7.49pm

The meeting moved out of confidence and closed at 8.11pm.

CHAIRMAN.....

DATE

ITEM	1.0.1
	POLICY AND PLANNING COMMITTEE
DATE	18 July 2016
HEADING	Future Reports for the Policy and Planning Committee
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.3 Have robust processes that support consistent service delivery and informed decision making.
SUMMARY	This item details reports to be presented to the Policy and Planning Committee as a result of a previous Council resolution. If reports have been deferred to a subsequent month, this will be indicated, along with a reason for the deferral.

RECOMMENDATION

1. The information be received.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Historically, a list of resolutions requiring a future report to Council has been presented to each committee for noting.

2. CONSULTATION / COMMUNICATION

- 2.1 Internal
 - 2.1.1 Report authors and General Managers.
- 2.2 External
 - 2.2.1 Nil.

3. REPORT

- 3.1 The following table outlines the reports to be presented to the Policy and Planning Committee as a result of a Council resolution:

Meeting Item	– Heading and Resolution	Officer
27/01/2015 1.2.1 Due:	Mawson Lakes and Salisbury City Centre Parking Fund 2. A review of the effectiveness of this proposal in generating economic activity and its impact on parking availability be undertaken within two years. February 2017	Pat Trimboli
24/08/2015 1.1.1 Due: Deferred to: Reason:	Salisbury Oval Precinct Plan: Community Consultation Strategy 3. The Salisbury Oval Precinct Plan to be presented to Council in March 2016. July 2016 September 2016 Work being completed on the various recreation and development opportunities and costs.	Nichola Kapitza
22/02/2016 1.1.1 Due:	Autism Friendly Play Space 3. A further report is prepared for November 2016 with preferred design and location, costs of construction and potential partner funding sources. November 2016	Dameon Roy
22/02/2016 1.1.1 Due:	Autism Friendly Play Space 4. The report to include a longer term plan for increasing the number of autism sensitive play spaces across the city. November 2016	Nichola Kapitza
29/03/2016 NOM3 Due:	Tourism and Visitor Sub Committee Establishment 6. The Tourism and Visitor Sub Committee be reviewed after 12 months. June 2017	Michael Bennington

29/03/2016	Development of Fairbanks Drive Reserve for Joint use with Schools	Chantal Milton
1.1.1	4. Further consideration is given towards the future uses of unused portions of the Reserve for strategic development in the next iteration of projects for consideration and that the outcomes of this analysis is presented to the Strategic Property Development Subcommittee in due course.	
Due:	September 2016	
29/03/2016	Development of Fairbanks Drive Reserve for Joint use with Schools	Karen Pepe
1.1.1	5. The joint use agreement between Council and Temple Christian College and Bethany Christian School in relation to Fairbanks Drive Reserve be returned to Council for review and endorsement.	
Due:	September 2016	
26/04/2016	Review of the Twelve25 Advisory Group	Rick Henke
1.1.1	1. The Twelve25 Youth Advisory Group continue with a further review to be conducted in February 2017.	
Due:	March 2017	
26/04/2016	Suicide Prevention Action Plan	Julie Fyfe
1.1.2	2. Staff provide a status update report on the Salisbury Community Suicide Prevention Network to council in six months' time. The report to include a copy of the community owned action plan for council's information and an overview of an ongoing role and commitment for City of Salisbury staff.	
Due:	October 2016	

26/04/2016	Rural Aircraft Noise Direk Industry and Residential Interface DPA Update	Peter Jansen
1.3.2	1. The Rural (Aircraft Noise) Direk Industry and Residential Interface Development Plan Amendment be reviewed and amended in accordance with the Minister for Planning's requirements, and the amended DPA and report be further considered by Council for endorsement prior to forwarding to the Minister for Planning to again seek approval for public consultation.	
Due:	July 2016	
Deferred to:	September 2016	
Reason:	Negotiations with DPTI and Department of Defence about various proposed Residential Zone boundary positions along some properties to improve development potential without impacting on Defence operations have been ongoing without agreement. Meeting with Department of Defence is being organised to put Council position. Updated DPA to occur after this meeting. Contamination findings to be incorporated into the DPA for public consultation endorsement by Council and then the Minister. Anticipated report dependent upon timing of release of contamination findings.	
26/04/2016	Mawson Lakes DPA - requirements to receive approval from Minister for Planning	Peter Jansen
GB1	3. That a further report be provided to Council in relation to the proposed Mawson Lakes DPA Part 2 for consideration of the proposed amendments following consideration of appropriate policy content and further discussions with the Department for Planning Transport and Infrastructure.	
Due:	August 2016	

4. CONCLUSION / PROPOSAL

- 4.1 Future reports for the Policy and Planning Committee have been reviewed and are presented to Council for noting.

CO-ORDINATION

Officer: EXECUTIVE GROUP
Date: 11/7/16

ITEM	1.1.1
	POLICY AND PLANNING COMMITTEE
DATE	18 July 2016
HEADING	Collaboration Agreement between Council and Community Centres Annual Update
AUTHOR	Pippa Webb, Manager Community Capacity and Learning, Community Development
CITY PLAN LINKS	<p>1.1 Have a community with the skills, knowledge and agility to participate in a rapidly changing economy.</p> <p>3.1 Be an adaptive community that embraces change and opportunities.</p> <p>3.3 Be a connected city where all people have opportunities to participate.</p>
SUMMARY	<p>This report presents an update on the implementation of the Collaboration Agreement between Council and the independently incorporated Community Centres' Associations. This report provides an update on how each of the parties is meeting their obligations under the agreement for the first year of implementation. The report recommends that the information be received.</p>
RECOMMENDATION	<p>1. The information be received.</p>
ATTACHMENTS	<p>There are no attachments to this report.</p>
1. BACKGROUND	<p>1.1 The Collaboration Agreement document (previously referred to as a Partnership Agreement) was first established in 2001, as a 3 year agreement. It sets out the agreement between the City of Salisbury and the Community Centres' Associations.</p> <p>1.2 The Collaboration Agreement is necessary to delineate responsibilities of the Council and the Associations in the management of the Council owned asset, to protect the Council from risk of non-compliance with the funding agreement with State Government Department of Communities and Social Inclusion and to ensure services are delivered which meet community emerging and future needs, within an accountable governance framework.</p> <p>1.3 In August 2015, The 3 year Collaboration Agreement was approved by Council and the Associations signed the agreement in October 2015.</p>

1.4 In Summary the draft Collaboration Agreement:

- 1.4.1 Defines the operational context including the management of Emergencies, Personnel, Governance, WHS, Insurance and Dispute Resolution.
- 1.4.2 It also provides accountability and reporting framework, including a suite of performance measures.

1.5 Key areas in the agreement include;

- 1.5.1 Sections 6.3, 13 and Annexure A covers volunteers, reporting and performance management. In relation to clear accountability there are a range of sections through the Agreement which describe expectations. Annexure A also provides for the development of a training support program to assist Associations meet their legal obligations around Governance.
- 1.5.2 State Government provides significant funding for Community Centres in an agreement with Council. The details of the agreement require Council to enter into a Results Based Accountability Framework to measure the success of initiatives undertaken by the centres, in addition to regular reporting and data collection.
- 1.5.3 Section 11, 23.2 and Annexure A are designed to ensure that Council is not at risk of a breach of the funding agreement obligations it has entered into with the Department of Communities and Social Inclusion to fund Community Centres. These sections cover non-performance by the Associations, record keeping, data requests and the Based Accountability Framework.

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 Management and staff of City of Salisbury Community Centres.

2.2 External

- 2.2.1 The Community Centres Associations

3. REPORT

3.1 The Collaboration Agreement aligns with both Council and the Centres' objectives and business plans. Contained in Annexure A are the following provisions;

- 3.1.1 "Community Centres provide a vital role in supporting and developing social and educational life within the Council area. The Community Centres do this by delivering long term learning opportunities that support social wellbeing, foster intellectual and personal growth and provide pathways into further education, training and employment."
- 3.1.2 "The Services are to be provided by the Association to assist the Council with the operation of the Centre for the benefit of the community in the relevant part of the Council area."

- 3.1.3 “The Services must align with the Council’s Annual Business Plan and Budget and the Council’s Strategic Plan for the City (as varied from time to time).”
- 3.1.4 “The Services must also align with the Association’s Annual Business Plan and Budget and Strategic Plan (as varied from time to time).”
- 3.2 Council continues to provide landscaping, maintenance services and repair works to the buildings. A number of improvements have been made to the facilities including painting, kitchen and bathroom upgrades and general maintenance.
- 3.3 Over the past year the Community Centres Chairs, and members of their committee’s have met 4 times with the Manager of Community Capacity and Learning in forums designed to review the operations of the Agreement and to provide strategic input into business planning and directions for the Centers.
- 3.4 Topics which were canvassed were the Northern Economic Plan and Implications and opportunities for the Community Centres, briefing regarding the City Plan and it’s alignment to business planning underway by the Centers The opportunities that the Northern Connector project has for Centers particularly around employment was also discussed.
- 3.5 Some key achievements over the past year of the agreement include;
 - 3.5.1 Development of accreditation for all center against the Australian Service Excellence Standards (AEDS) has begun positioning the Centers to attract further government funding;
 - 3.5.2 Briefings have taken place for Chairs and Member of their committee’s regarding the Councils Annual and City Plan Consultations, The Northern Economic Plan, The Northern Connector, The National Disability Insurance Scheme, Asset Renewal Plan and Maintenance Schedule;
 - 3.5.3 All Centers have completed strategic planning exercise, and have developed an annual business plan
 - 3.5.4 Members of the Committee have been supported in their roles through undertaking a variety of training including; Results Based Accountability, Good Governance for the Not for Profit Sector, Community Centers SA Conference and legal advice workshops,
- 3.6 A brief snapshot of Centers achievements includes;
 - 3.6.1 Salisbury East Centre partnerships with local schools led to students obtaining volunteering and work experience placement, the center has also provided literacy training to a number of Auto workers in transition (Co-ordinator, Jo Lasham);
 - 3.6.2 Pooraka Farm Community Centre Mens Shed attracted a Work for the Dole group, some of whom have transitioned to further study, work and one to self employment. The Centre is exploring a the development of an Aboriginal Charter and the development of a granddaddies program to support Aboriginal children (Co-ordinator Heather Hewitt);

- 3.6.3 Morella Community Centre attracted over 100 new participants to their Adult Community Education Programs over the past year, Aldi opening adjacent has led to increased interest from new customers. Adult Community Education programs which were accredited led to 60% of participants gaining employment or moving to higher education; (Co-ordinator, Alison Davies,)
- 3.6.4 Burton Community Centre has increased revenue over the past year by attracting new hirers. They have re-established English as a second language classes as well as attracting new activities and homework clubs (Co-ordinators Part-time, Christine McFarlane and Melissa Grey);
- 3.6.5 Paddocks Centre Management committee participated in a number of consultations regarding the design of the new extension to the Para Hills Community Hub and hosted an anti-poverty forum promoting financial literacy and support for people in financial stress (Co-ordinator Sue Dugan).
- 3.7 Key challenges for the 2016/2017 year identified in common with all Centres included;
- 3.7.1 Information Technology
- Centers are reporting increased expenses in the area of information technology – some technology needs to be replaced and/or updated and there is increased demands from the community for access, as government services go on- line. Poor internet speeds are also reported as a key challenge. Where there are multiple users of the internet, there are drop outs and a lack of access. Council have been investigating improvements to internet speeds and the development of a Libraries and Community Centers information technology plan which is designed to identify and plan for future needs. .
- 3.7.2 Changes in the community needing assistance
- Demand from a new client group is beginning to increase due to the impending closure of automotive manufacturing. Increased unemployment is leading to wider social issues and financial stress. There is a lack of funding able to be accessed by the Centers to enhance the programming offer to this new emerging client group.
- 3.7.3 Growth in participation and diversity
- Centers are managing growing demand whilst continuing to maintain quality programs. There is for example continued high demand for English as a second language and increased demand for workplace literacy as the impact of the economic changes within areas of the City are becoming more acute.
- 3.7.4 Financial viability
- Some centers are re-visiting their business models as their financial position has diminished due to changes in revenue sources. Sometimes the changes in revenue are the result of a withdrawal in grant funding, other times it is a reducing hire of facilities. Operating costs are being reviewed to ensure financial viability, in addition to exploring new revenue streams. Council is assisting Centre to identify potential new revenue streams through a range of areas such as grant funding opportunities, the National Disability Insurance Scheme, and the responses to the Northern Economic Plan.

4. CONCLUSION / PROPOSAL

- 4.1 The Collaboration Agreement is a contemporary document that provides a framework for the relationship between Council and the Community Centres' Associations.
- 4.2 It provides a background and sets out the context to work together, and outlines the roles, responsibilities and expectations of both parties including for the site and the use of the Council owned Centre facilities.
- 4.3 Over the past year each of the Centers Management teams have participated in a range of activities to support their operations and deliver on the Agreements. Council staff have also supported them with strategic planning, information sessions and strategic planning as well as ongoing operational support to deliver a raft of diverse programs to support the community.

CO-ORDINATION

Officer: GMCD
Date: 29/06/2016

ITEM	1.1.2
	POLICY AND PLANNING COMMITTEE
DATE	18 July 2016
HEADING	Proposed 2017 Salisbury Secret Garden Program & Budget
AUTHOR	Nichola Kapitza, Manager Community Planning & Vitality, Community Development
CITY PLAN LINKS	3.2 Have interesting places where people want to be. 3.3 Be a connected city where all people have opportunities to participate. 3.4 Be a proud, accessible and welcoming community.
SUMMARY	The following report will outline the proposed 2017 <i>Salisbury Secret Garden</i> which is consistent with Council's preferred option for the event's development and the proposed budget.

RECOMMENDATION

1. The delivery of the *2017 Salisbury Secret Garden* be endorsed.
2. Council underwrite the *Salisbury Secret Garden* and \$83,700 be allocated as a non-discretionary bid as part of the first quarter budget review.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Proposed design - 2017 Civic Square

1. BACKGROUND

1.1 The *Salisbury Secret Garden* concept was endorsed by Council in August 2013 and since that time three programs have been successfully delivered. At the completion of each program a detailed evaluation is undertaken and the findings reported to Council. The evaluation findings and options for the development of the 2017 program were presented to Council in May 2016. The two options presented at this time were:

- Option 1 - Maintain *Salisbury Secret Garden*. This option resulting in the implementation of the majority of the evaluation's findings in relation to efficiencies, promotion, co-ordination and concentration of the program; and
- Option 2 - Grow *Salisbury Secret Garden*. This option resulting in the implementation of all the evaluation's findings; the expansion of the civic square venue program; encouraging other venues outside of the Salisbury central business district to be encouraged to be Fringe venues; development of income opportunities for Council; and increasing the Salisbury Fringe presence.

- 1.2 As a result of the report and options presented Council resolved at its meeting in May 2016, inter alia:

...

- (ii) *Evaluation findings of the 2016 Salisbury Secret Garden be noted.*
(iii). *Further exploration of Option 1 (as set out in Item No. 1.1.3, Policy and Planning Committee 16/05/2016) be undertaken and that; a further report be presented in July 2016 outlining the proposed budget for Salisbury Secret Garden.*

Council resolution number 1075/2016

- 1.3 To enable the development of a budget, as per this resolution, significant work has been undertaken for the creation of the concept for the civic square venue and the *Salisbury Secret Garden* program. This work has included negotiations with key partners, local venues and the Fringe.
- 1.4 The following report will provide an overview:
- of the 2017 *Salisbury Secret Garden* program;
 - the concept for the civic square program, including hours of operation, naming and design; and
 - the proposed budget.

2. CONSULTATION/COMMUNICATION

Internal

- 2.1 A cross departmental project team has been established for the 2017 *Salisbury Secret Garden*. This project team has now met on two occasions. Key members of this project team have also met to try and finalise the design for the civic square to enable quotes to be obtained. The concept plan is attached to this report.
- 2.2 A project board has also been established and has met once in relation to the development of the program and the sponsorship proposal for the 2017 *Salisbury Secret Garden*.
- 2.3 A sponsorship proposal has been developed in consultation with the Communication and Customer Relations Division. Noting the majority of sponsorship approaches haven't been made at this time.

External

- 2.4 Discussions have commenced with:
- Slack Taxi;
 - Bamboozled Productions; and
 - Snappy Productions.
- 2.5 These discussions identifying opportunities for the better utilisation of the Pocket venue within the civic square, design of the civic square venue, ideas for potential name change for the civic square venue, hours of operation and the potential to link in with key acts that are attracted to the Fringe as part of the Royal Croquet Club.

- 2.6 Staff met with representatives of the Fringe Festival on 31 May 2016. The purpose of the meeting being to discuss the future positioning of the *Salisbury Secret Garden* and the potential for it to be formally branded as the official Fringe Hub in the North. The Fringe confirmed at the meeting that they are not prepared to brand the City of Salisbury as the official Fringe Hub in the North as they will be focusing on their city operations/programs and not on the creation or support of metropolitan Fringe Hubs. The Fringe indicated that they support the *Salisbury Secret Garden* concept and the work that has been undertaken by the City of Salisbury and that they could provide some support in the development of the marketing campaign for next year's *Salisbury Secret Garden*.
- 2.7 Discussions have been held with Tourism SA to identify what support can be provided to support next year's *Salisbury Secret Garden*. These discussions have identified that it would be possible for this event to apply for grant funding but this would be for the 2018 program and the funding available is very limited.
- 2.8 Contractors have been requested to provide quotations for services required for the creation of the civic square program, as per the attached plan. These quotations, although preliminary at this stage of planning, have been used in the formulation of the budget.
- 2.9 The developed sponsorship proposal has been used for discussions with potential sponsors that approached the City of Salisbury during or post the 2016 *Salisbury Secret Garden*. It is pleasing that one of these companies, Maxima, has agreed to provide \$2,500 in sponsorship. Expert advice is being sought in terms of an enhanced sponsorship prospectus for 2017 and a listing of other potential sponsors is currently being finalised.
- 2.10 To develop the activity program for the civic square an expression of interest process is about to be undertaken of potential local businesses, community groups and other interested persons. This will be to identify potential stall holders.
- 2.11 A meeting will be held of all food traders within the Salisbury City Centre to identify which ones would be willing to have food stalls as part of the civic square program. It is noted that if local traders are not interested in taking up this opportunity approaches will be made to mobile food vans, for example those that participate in Fork in the Road. These food sites will be provided free of charge however vendors will be responsible for the provision of their own equipment.
- 2.12 To develop the ticketed show program an expression of interest process will commence shortly to secure artists and venues. Fringe registrations for venues (commence 2 August) and artists (commence 16 August) and have to be completed by 7 October.
- 2.13 Discussions with local venues, previously involved in the *Salisbury Secret Garden* program have commenced. It would appear that two of these venues will not be continuing their involvement in next year's program (in particular the Salisbury RSL and the Salisbury Bowling Club). Preliminary discussions have occurred with all three hotels which are quite favourable. Twelve 25 have confirmed they will continue to be a venue for the *Salisbury Secret Garden*. Discussions are also underway with a local performer who may be willing to operate the John Harvey Gallery as a venue.

3. REPORT

- 3.1 As reported in May 2016 the evaluation process identified a series of actions to be considered in the development of the 2017 *Salisbury Secret Garden* program. Council's preferred option for the provision of future *Salisbury Secret Garden* programs, would result in a program comprising:
- the creation of the *Secret Garden* within the civic square – with activities scheduled for four nights and two weekends;
 - the continuation of the Pocket venue within the civic square – comprising a program of short, low cost ticketed events;
 - the schools program; and
 - ticketed show program – held within key venues within the Salisbury City Centre.
- 3.2 Council's preferred option would result in the delivery of a program:
- of a similar scale to that delivered in 2016;
 - incorporating some of the evaluation findings, those focusing on the facilitation of a greater concentration of events and improved families' entertainment;
 - which includes a marketing strategy;
 - that provides schools programming tailored for greater family engagement; and
 - that incorporates the creation of an internal Project Board.

2017 Salisbury Secret Garden program

- 3.3 The dates for the 2017 *Salisbury Secret Garden* program are as follows:
- commences on Friday 24 February; and
 - concludes on Sunday 5 March 2017.
- 3.4 It is noted that next year's program has been reduced by one day.
- 3.5 It is proposed that the civic square program will be operational on the following days/nights:
- Friday 24 February;
 - Saturday 25 February;
 - Sunday 26 February;
 - Thursday 2 March;
 - Friday 3 March;
 - Saturday 4 March; and
 - Sunday 5 March.
- 3.6 It is however noted that the civic square venue will also be used during the week of 27 February to 3 March for the schools' program. It is possible however that this usage will increase depending on the number of new schools that express an interest in participating in this program. This level of usage will not be known until term 4 this year.

- 3.7 It is noted that the schools are charged for their participation in this program and it covers the costs of performances and transportation to the venue. Including additional usage by schools within the program will not impact the project's budget.
- 3.8 It is proposed that the hours of the civic square's operation will be 4:30pm to 8:30pm. This is a reduction on the hours of operation implemented in 2016. This time slot was also selected to try and avoid the potential extreme heat of the day.
- 3.9 Slack Taxi and Bamboozled Productions have suggested that Council use the Pocket venue for staging ticketed shows each night when the civic square is operational. These shows would start at 8:30pm (noting this is the preferred time slot for Fringe performers). This would fit into their program as they intend to cease the Pocket's program of 15 minute \$5 shows at approximately 8pm.
- 3.10 It is proposed to have specific themes for each day/evening that the civic square venue is operational. The options under consideration include Latino, Rock and Roll, Music, history of Holden cars themes however it is noted that these are only preliminary concepts at this stage. Both Sundays will focus specially on families' entertainment, similar to the family fun days held in the 2015 and 2016 programs which were highly successful.
- 3.11 Council has also been recently approached by Snappy Productions who want to stage a Puppet Festival in Salisbury as part of next year's *Salisbury Secret Garden*. It is pertinent to note that Snappy Productions is led by former Salisbury resident and TV personality Lindi Jane, an internationally renowned puppeteer.
- 3.12 This proposal is estimated to bring national and international puppeteers to stage workshops and performances within the civic square on the final Sunday of the *Salisbury Secret Garden* program. Based on similar events held within Port Adelaide Enfield it is anticipated that this event would attract in the vicinity of 4,000 people.
- 3.13 It is proposed that the name of the civic square venue, last year known as *Secret Garden*, will change. Two options for the new name have been considered, those being *The Square* and the *Orange Garden*. Advice from the Fringe industry is that the *Orange Garden* is the best option as it does reflect some of the history of Salisbury and also still keeps that strong connection with the branding of *Salisbury Secret Garden*.

4. EVENT RISKS

- 4.1 Whilst the *Salisbury Secret Garden* is a wonderful event that brings visitors to our City, activates our City Centre and enhances the cultural offering for our residents, there are always risks that should be considered in determining whether to proceed with such an event. The risks for *Salisbury Secret Garden* 2017 are outlined in brief below.
- 4.2 Whilst best endeavours have been undertaken to develop the most accurate budget for the program there is the potential for cost over runs or other unanticipated factors that could increase the cost of the event. We also have not undertaken sponsorship approaches as yet, so the potential to achieve adequate sponsorship that will offset the budget shortfall is unknown at this stage.

- 4.3 The decision by the Fringe to not recognize City of Salisbury as the official Fringe Hub of the North potentially opens us up to more competition from other neighboring Councils who have seen the early success of our program and are already running programs of their own.
- 4.4 The event is run in-house primarily by staff members in the Community, Planning and Vitality Division which has seen some recent turnover of staff involved in previous *Salisbury Secret Garden* events. If we were to lose any more key staff during the development and/or implementation of the event, contingency plans would need to be put in place to ensure the event could still proceed as planned.
- 4.5 The provision of the program within the civic square is also dependent on the partnership with Bamboozled Productions and Slack Taxi, if either of these key partners lose confidence in this event they will be attracted to other neighboring Councils to deliver Fringe events.
- 4.6 Council is currently considering options around the development and construction of new council facilities to be located in the Salisbury City Centre. Depending on which location is ultimately selected there is the potential that the civic square may not be available (post 2017). This may result in the delivery of a modified program which could impact the scale and viability of future Fringe events in the City.

5. BUDGET

- 5.1 The previous report to Council in May 2016 estimated the budget required to deliver *Salisbury Secret Garden*, premised on scenario outlined within option 1 was in the vicinity of \$144,000. However the report also noted that this was a very preliminary estimate that could change based on:
 - the development of the scope of the 2017 program;
 - implications of introducing some of the changes identified within the evaluation report;
 - shortening the number of day's that the civic square venue is operational and the potential costs savings;
 - the re-design of the civic square venue - reducing the area of the site included in the liquor licence, and the possible reduction in the set up costs, portable toilet requirements, and security costs; and
 - changing the operating hours of the civic square program.
- 5.2 The budget developed to date for the 2017 *Salisbury Secret Garden* indicates that the budget required to deliver the program is in the vicinity of \$178,700 whilst the funding allocated to date is in the vicinity of \$95,000. This effectively is a shortfall of an estimated \$83,700 that Council would need to underwrite. Noting this is approximately \$5,000 more than previously reported in May.

5.3 The following table will provide the revised expenditure and income budgets.

2017 Salisbury Secret Garden budget		
Element	Description	Cost
Event Management	Employment of full time project officer (4 months) to assist with the delivery of the program (\$40,000). Site contractor - to assist with civic square set up (\$500)	\$40,500
Artist Registration Fees	Artist registration fees - Ticketed show incentive package to attract artists to Salisbury. APRA license Ambassador	\$4,450
Maintenance/operational costs	Additional rubbish collection, watering of flower beds, misc works required for set up, pack down of civic square	\$7,000
Opening night - Friday 24/2	Performers, activities, catering	\$2,500
Civic square activation	Saturday 25/2, Sunday 26/2, Thursday 2/3, Friday 3/3 & Saturday 4/3 – payment of performers, activities, program costs and liquor licencing.	\$15,500
Sunday 5/3 -	The delivery of the Puppets in the Square festival - includes Performer payments, workshops, free family activities.	\$10,000
Schools Program	Performances and bus transportation to and from the Salisbury Interchange (noting these costs are charged to the participating schools)	\$11,500
The Pocket	Performer retainers, artist coordination, venue hire, air-conditioning hire.	\$21,950
Emergency services	St Johns, Security, Police Checks of volunteers	\$10,700
Civic square logistics	Sound, lighting, site fencing, container costs. Public toilets - hire, pump outs, plumbing, cleaning and supplies. Hire of - marquees, trestles, furniture, misting tent, generator, distribution board, generator refuelling.	\$29,600
Communication and marketing activities	Banner Installations, development of event program, Facebook (boosted posts), Fringe advertising, site signage etc	\$25,000
Total Expenditure		\$178,700

Proposed Income - 2017 Salisbury Secret Garden		
City of Salisbury		\$50,000
OPAL contribution		\$10,000
Cultural development budget		\$4,500
Sports Development		\$3,000
Aboriginal Development	Payment for welcome to country	\$1,500
City Infrastructure		\$7,000
Schools	Payments for participation in school's program and for transportation costs.	\$11,500
Maxima	Sponsorship	\$2,500
Salisbury City Centre Association	Support.	\$5,000
Total to date		\$95,000
Current shortfall of funding		\$83,700

5.4 There are a number of reasons for this small increase in the shortfall of funding of \$5,000 from the figures presented in the May report:

- although the program has been shortened (by one day), the civic square venue reduced in size and the area covered by the liquor licence significantly reduced, these changes have not resulted significant cost savings;
- cost savings that have been achieved include reduction in costs associated with:
 - provision of public toilets – including the number of pump outs required;
 - security guards required for the event;
 - cost of fencing the square during the program;
 - electrical supply provided via generators including the cost of refueling and diesel;
 - not providing a full scale back of house kitchen as was provided in the 2016 event.
- some contractors provided significant in-kind support to the 2016 *Salisbury Secret Garden* program by way of providing their services at no or below cost. From discussions held to date with contractors and from preliminary quotations received the services have both increased in price and these contractors are either unable or unwilling to provide this continued in kind support in 2017; and
- when the May budget estimate was prepared Council staff had not received the proposal from Snappy Productions, for the inclusion of the Puppet Festival. This has now been received and the cost of staging this event would be \$20,000 with the Council contribution being \$10,000. The remaining funds are being sought by the Festival Coordinator's by way of in-kind, grants and sponsorship. The inclusion of this Festival would be a significant drawcard for the *Salisbury Secret Garden* program and could attract an additional 4,000 people.

- 5.5 The budget includes an increased spend on marketing to attract more people to the event as event awareness and attendances were identified as an issue in the evaluation report.
- 5.6 Pending the endorsement of the *Salisbury Secret Garden* by Council, staff will undertake the following activities to endeavor to achieve a reduction in the projected shortfall in funds :
- seek expert guidance in the development of a sponsorship prospectus and strategy;
 - undertake sponsorship approaches; and
 - work with contractors and suppliers to secure best priced quotes or in-kind support.

6. TIMING OF WORKS

- 6.1 As noted previously (paragraph 2.12) Fringe registrations for venues and artists open in early August and close on 7 October. Although discussions have commenced with local venues further work will be required over the coming weeks to ensure that the venues are not only registered with the Fringe that they actively commence securing artists to hold ticketed events within the *Salisbury Secret Garden* program.
- 6.2 As noted in the May 2016 report the budget includes the allocation of funding for a short term resource (equivalent to one full time employee for four months) to be employed to coordinate the development of *Salisbury Secret Garden* in collaboration with the Community Planning and Vitality staff. It is noted that if the budget is approved this position would need to commence in September in a part time capacity to assist with the coordination of the event.

7. CONCLUSION / PROPOSAL

- 7.1 As per the council decision in May 2016 work has been undertaken for the development of the proposed 2017 *Salisbury Secret Garden* program. This programming is premised on the Council's desire to deliver a program of a similar scale to that delivered in February and incorporates some of the evaluation findings. At present it is anticipated that the budget required to deliver the program is in the vicinity of \$178,700 and the funding allocated to date is in the vicinity of \$95,000. This effectively is a shortfall of an estimated \$83,700 that Council would need to underwrite. If Council endorses the proposal, there will need to be a quarterly budget review submitted for the \$83,700 to stage the event.
- 7.2 However it is noted that this budget required could be reduced in coming months by way of sponsorship approaches and negotiating with contractors to provide best price quotes or providing in kind support for this program.

CO-ORDINATION

Officer: GMCD
Date: 12/07/2016



ITEM 1.1.3

POLICY AND PLANNING COMMITTEE

HEADING Minutes of the Tourism and Visitor Sub Committee meeting held on Monday 11 July 2016

AUTHOR Michael Bennington, Manager Communications & Customer Relations, Community Development

CITY PLAN LINKS 2.2 Have a community that is knowledgeable about our natural environment and embraces a sustainable lifestyle.

SUMMARY The minutes and recommendations of the Tourism and Visitor Sub Committee meeting held on Monday 11 July 2016 are presented for Policy and Planning Committee's consideration.

RECOMMENDATION

1. The information contained in the Tourism and Visitor Sub Committee Minutes of the meeting held on 11 July 2016 be received and noted and that the following recommendations contained therein be adopted by Council:

TVSC1 Appointment of Deputy Chairman - Tourism and Visitor Sub Committee

1. David Stockbridge be appointed as Deputy Chairman of the Tourism and Visitor Sub Committee for a period of 12 months commencing 01/08/2016.

TVSC2 Wiki Town Resolution 0990/2016

1. That the information be received.

TVSC3 Tourism and Visitor Strategy - for endorsement

1. That the information be received.
2. The draft Tourism and Visitor Strategy, as set out in Attachment 1 (Item No. TVSC3, Tourism and Visitor Sub Committee, 11/07/2016) be endorsed.
3. The Implementation Plan be reported to the Sub Committee in September 2016 subsequent to a workshop taking place in August 2016.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Minutes Tourism and Visitor Sub Committee - 11 July 2016

CO-ORDINATION

Officer: GMCD
Date: 12/07/2016



**MINUTES OF (INAUGURAL) TOURISM AND VISITOR SUB COMMITTEE MEETING
HELD IN COMMITTEE ROOM 3, 12 JAMES STREET, SALISBURY ON**

11 JULY 2016

MEMBERS PRESENT

Cr S Reardon (Chairman)
Mayor G Aldridge (ex officio) (5:21 PM)
Cr R Zahra
Ms Marilyn Collins, Business Community Representative
Mr Jeffrey Pinney, Local History Club Representative
Mr David Stockbridge, Business Community Representative

OBSERVERS

There were no observers.

STAFF

Chief Executive Officer, Mr J Harry
General Manager Community Development, Ms J Trotter
Manager Communications and Customer Relations, Mr M Bennington
Manager Governance, Ms T Norman
PA to General Manager Community Development, Mrs B Hatswell

The meeting commenced at 5:03 pm.

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

Apologies were received from K Collins.

LEAVE OF ABSENCE

Nil.

REPORTS

TVSC1 Appointment of Deputy Chairman - Tourism and Visitor Sub Committee

Moved Cr R Zahra
Seconded Cr S Reardon

1. David Stockbridge be appointed as Deputy Chairman of the Tourism and Visitor Sub Committee for a period of 12 months commencing 01/08/2016.

CARRIED

TVSC2 Wiki Town Resolution 0990/2016

Moved J Pinney
Seconded D Stockbridge

1. That the information be received.

CARRIED

TVSC3 Tourism and Visitor Strategy - for endorsement

Leonie Boothby, Principal Consultant at Leonie Boothby and Associates Pty Ltd provided an overview of the draft Tourism and Visitor Strategy.

The City of Salisbury Tourism and Visitor Strategy 2016-2021 Draft Implementation Action Plan was tabled.

Mayor G Aldridge entered the meeting at 5:21 pm.

Mayor G Aldridge left the meeting at 5:41 pm and did not return.

Moved Cr R Zahra
Seconded D Stockbridge

1. That the information be received.
2. The draft Tourism and Visitor Strategy, as set out in Attachment 1 (Item No. TVSC3, Tourism and Visitor Sub Committee, 11/07/2016) be endorsed.
3. The Implementation Plan be reported to the Sub Committee in September 2016 subsequent to a workshop taking place in August 2016.

CARRIED

OTHER BUSINESS

There was no Other Business.

CLOSE

The meeting closed at 6:12 pm.

CHAIRMAN.....

DATE.....

ITEM	1.1.4
	POLICY AND PLANNING COMMITTEE
HEADING	Minutes of the Strategic and International Partnerships Sub Committee meeting held on Tuesday 12 July 2016
AUTHOR	Nichola Kapitza, Manager Community Planning & Vitality, Community Development
CITY PLAN LINKS	3.4 Be a proud, accessible and welcoming community.
SUMMARY	The minutes and recommendations of the Strategic and International Partnerships Sub Committee meeting held on Tuesday 12 July 2016 are presented for Policy and Planning Committee's consideration.
RECOMMENDATION	<p>1. The information contained in the Strategic and International Partnerships Sub Committee Minutes of the meeting held on 12 July 2016 be received and noted and that the following recommendations contained therein be adopted by Council:</p> <p>SIPSC1 Appointment of Deputy Chairman - Strategic and International Partnerships Sub Committee</p> <p>1. Cr D Balaza be appointed as Deputy Chairman of the Strategic and International Partnerships Sub Committee for a period of 12 months commencing 01/08/2016.</p> <p>SIPSC2 China Action Plan</p> <p>1. That the information be received.</p> <p>SIPSC3 Request for Sister City Relationship from the City of San Agustin, El Salvador</p> <p>1. A report be prepared setting out a proposed program for a delegation visit from the City of San Agustin, including resource implications, to enable the Strategic and International Partnership Committee to determine whether an invitation for a delegation can be extended to the City of San Agustin.</p> <p>SIPSC4 Mobara Educational Exchange Program and Mobara Delegation 2016</p> <p>1. The program for the 2016 Mobara Educational exchange program (as set out in Attachment 1, Item SIPSC4, Strategic and International Partnerships Sub Committee, 12/07/2016) be endorsed.</p>

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Minutes Strategic and International Partnerships Sub Committee - 12 July 2016

CO-ORDINATION

Officer: GMCD
Date: 13/07/2016



**MINUTES OF STRATEGIC AND INTERNATIONAL PARTNERSHIPS SUB
COMMITTEE MEETING HELD IN COMMITTEE ROOMS, 12 JAMES STREET,
SALISBURY ON**

12 JULY 2016

MEMBERS PRESENT

Cr E Gill (Chairman)
Mayor G Aldridge (ex officio)
Cr D Balaza
Christopher Moore (Rotary Representative)
Roderick O'Brien (Community Representative)
Pat Trimboli (Service Club Representative)
Heather Vogt (High School Representative)

OBSERVERS

Cr B Vermeer

STAFF

Chief Executive Officer, Mr J Harry
General Manager, Community Development, Ms J Trotter
Manager Community Planning and Vitality, Mrs N Kapitza
Manager Economic Development & Urban Policy, Mr G Ratsch

The meeting commenced at 7:21pm.

The Chairman welcomed the members and staff to the meeting. All members and staff introduced themselves.

APOLOGIES

Apologies were received from Cr G Reynolds, Cr J Woodman, Mr B George, Mr R Morris and Mr N Relph.

LEAVE OF ABSENCE

Nil.

PRESENTATION OF MINUTES

The last meeting of the Committee, scheduled for 12 October 2015 did not proceed due to lack of a quorum. Minutes from the meeting held on 14 July 2015 were presented directly to the Policy and Planning Committee on 19 October 2016.

REPORTS**SIPSC1 Appointment of Deputy Chairman - Strategic and International Partnerships Sub Committee**

Moved Mayor G Aldridge

Seconded Service Club Representative P Trimboli

1. Cr D Balaza be appointed as Deputy Chairman of the Strategic and International Partnerships Sub Committee for a period of 12 months commencing 01/08/2016.

CARRIED

SIPSC2 China Action Plan

Moved Cr D Balaza

Seconded Mayor G Aldridge

1. That the information be received.

CARRIED

SIPSC3 Request for Sister City Relationship from the City of San Agustin, El Salvador

Moved Cr D Balaza

Seconded Mayor G Aldridge

1. A report be prepared setting out a proposed program for a delegation visit from the City of San Agustin, including resource implications, to enable the Strategic and International Partnership Committee to determine whether an invitation for a delegation can be extended to the City of San Agustin.

CARRIED

SIPSC4 Mobara Educational Exchange Program and Mobara Delegation 2016

Moved Cr D Balaza

Seconded Rotary Representative C Moore

1. The program for the 2016 Mobara Educational exchange program (as set out in Attachment 1, Item SIPSC4, Strategic and International Partnerships Sub Committee, 12/07/2016) be endorsed.

CARRIED

OTHER BUSINESS

Nil.

CLOSE

The meeting closed at 8.27pm.

CHAIRMAN.....

DATE.....

ITEM	1.3.1		
	POLICY AND PLANNING COMMITTEE		
DATE	18 July 2016		
PREV REFS	Policy and Planning Committee	1.5.6	18/08/2014
	Policy and Planning Committee	1.3.3	08/12/2014
	Policy and Planning Committee	1.2.1	17/08/2015
HEADING	Establishment of a Precinct at Greater Edinburgh Parks - Update		
AUTHOR	Michelle Tucker, Coordinator Urban Policy & Planning, City Development		
CITY PLAN LINKS	<p>1.4 Have well planned urban growth that stimulates investment and facilitates greater housing and employment choice.</p> <p>1.2 Be the place of choice for businesses to invest and grow within South Australia, nationally and internationally.</p>		
SUMMARY	<p>This report provides an update on the proposed establishment of a precinct at Greater Edinburgh Parks under the <i>Urban Renewal Act 1995</i>. It also provides an update of other related strategic planning projects within the locality being the Northern Connector Structure Plan, the Greater Edinburgh Parks (GEP) Development Plan Amendment (DPA) and the future planning of the Holden site.</p>		
RECOMMENDATION	<p>1. That the report and the response of the Minister for Housing and Urban Development advising that it is not proposed to proceed with establishing a Precinct under the Urban Renewal Act 1995 in relation to the Greater Edinburgh Parks area be noted.</p>		

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Attachment 1 : Response from Minister for Housing and Urban Development.
2. Attachment 2: Council response to initial request.
3. Attachment 3: Initial request from Minister Rau
4. Attachment 4: Area Affected Ministerial GEP Employment Lands DPA

1. BACKGROUND

- 1.1 The *Urban Renewal Act 1995* (the Act) contains provisions under Section 5(aa) for the Minister to “*establish precincts for the purposes of urban renewal or redevelopment, and to promote efficient planning and project facilitation in relation to those precincts*”. Under Section 7H of the Act the Minister can declare a precinct to facilitate “*the development of the area for the purposes of urban renewal*”.
- 1.2 Reports were provided to Council in August, October and December 2014 regarding the legislation and its application with the December 2014 report relating specifically to the potential application of the legislation to the Salisbury City Centre.
- 1.3 On 27 July 2015 Hon John Rau, previous Minister for Housing and Urban Development, wrote to Mayor Aldridge requesting Council’s view on establishing a ‘Precinct Authority’ under the Act. A copy of the Minister’s letter is attached (Attachment 3). The Minister also wrote to the Mayor of the City of Playford with the same request. It should be noted that the Minister can establish a precinct and Authority under the Act without Council’s involvement or approval, but, appropriately, sought the Councils’ support for this initiative.
- 1.4 In relation to this response Council resolved:
 1. *That the information be received.*
 2. *That the response of the Mayor dated 7 August 2015 relating to a proposal by the Minister of Housing and Urban Development to establish a Precinct under the Urban Renewal Act 1995 in the Greater Edinburgh Parks area be noted, and that staff work with the Minister’s delegates to prepare a Business Case for the proposal for further consideration by Council.*
 3. *That a further report be provided to Council when a draft Business Case for the proposed Greater Edinburgh Parks Precinct Authority is available for further review.*

(Resolution 0552/2015)

The response of the Mayor referred to in the resolution is at Attachment 2 to this report.

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 As this report is advising of the outcome of the initial request by State Government no consultation has been undertaken.

3. REPORT

- 3.1 Council has now received further advice on the proposal (Attachment 1). The letter advises that after consideration by Renewal SA, Minister Stephen Mulligan believes that although Greater Edinburgh Parks (GEP) is of strategic importance and is a priority for rezoning to facilitate further employment activity in Northern Adelaide, the most efficient mechanism for this is through the existing Development Plan Amendment (DPA) Process.

- 3.2 Accordingly the Minister does not intend to establish a precinct under section 7H of the *Urban Renewal Act (1995)* at this point in time.
- 3.3 Given this, it is timely to provide Council with a brief update on a number of key State strategic projects with land use implications in the vicinity. These include the Ministerial GEP Employment Lands DPA, construction of the Northern Connector and development of associated structure plan and planning for the Holden site.
- 3.4 Part 1 of the Ministerial GEP Employment Lands DPA was approved in December 2013 and rezoned existing industrial zoned land within the affected area to Urban Employment zone. Part 2 of the DPA largely affects the City of Playford and a smaller section of Primary Production land within the City of Salisbury (see map of area affected by Part 2 in Attachment 4). Part 2 has been put on hold pending further investigations regarding stormwater infrastructure requirements and the establishment of infrastructure agreements with affected landowners.
- 3.5 The Department of Planning Transport and Infrastructure (DPTI) with input from Council staff are considering potential uses for land adjoining the Northern Connector. In the first instance, this planning is to ensure that the Northern Connector is constructed to accommodate future development and land use changes that may occur within the Northern Connector/Port Wakefield Road corridor.
- 3.6 This may lead to a future DPA to consider alternative land use and zoning options for sections of the corridor that are currently zoned for Primary Production and Deferred Industry. Potential future zoning may facilitate industrial and/or commercial land uses (yet to be determined) but no formal rezoning has process has been initiated at this stage.
- 3.7 It is understood that the State Government has commenced preliminary investigations regarding potential re-use options for the Holden site at Elizabeth South, and updates will be provided to Council as information becomes available.
- 3.8 Having regard to level of employment land in northern Adelaide and current demand rates, it is apparent that planning for employment lands within Northern Adelaide should be coordinated to consider the staging and potential infrastructure implications for each of the sites discussed above (in addition to land that has recently been rezoned at Gillman within the Port Adelaide Enfield Council area). As an example, as mentioned earlier in this report, investigations are underway into the stormwater infrastructure requirements to service the Greater Edinburgh Parks area, and the potential costs to developers for stormwater infrastructure augmentation. A mechanism such as the proposed infrastructure levy under the Planning Development and Infrastructure Act 2016 will be required to fund provision of this infrastructure, and consideration given to the sequencing and prioritisation of GEP for development in comparison to other areas that may already be serviced by relevant infrastructure.

- 3.9 Council has requested a review of the State's Housing and Employment Land Supply Program (HELSP) to update assumptions and targets regarding industrial land supply and demand, however it is understood that this has not yet commenced. The upcoming release of the update of the 30 Year Plan for Greater Adelaide for consultation (expected in August/September 2016) provides another opportunity to seek for a review of the HELSP and development of an integrated structure plan and coordinated program of rezoning and land release for Northern Adelaide employment lands. The review of Council's Growth Action Plan will also consider employment land supply and demand, and act as an input to the HELSP Program and review of the 30 Year Plan.

4. CONCLUSION / PROPOSAL

- 4.1 The Minister for Housing and Urban Development has advised Council that he does not intend to proceed with the establishment of Greater Edinburgh Parks as a precinct under the *Urban Renewal Act (1995)* given the considerable amount of work already undertaken through the Ministerial GEP Employment Lands DPA process and the duplication of resources required to deliver a similar outcome. No further action on this issue is required at this time, noting however other actions under way in relation to Development Plan Amendments, the review of the 30 Year Plan for Greater Adelaide and the HELSP program, and Council's review of the Growth Action Plan.

CO-ORDINATION

Officer: EXECUTIVE GROUP
Date: 11.07.16

16MHUD/0065



Government
of South Australia

The Hon Stephen Mullighan

Ms Gillian Aldridge
Mayor
City of Salisbury
12 James Street
SALISBURY SA 5108

Dear Mayor  Aldridge

I refer to your correspondence to the former Minister for Housing and Urban Development, regarding the possible establishment of a precinct at Greater Edinburgh Parks under Section 7H of the *Urban Renewal Act 1995*.

As you are aware, there have been a number of planning and infrastructure studies undertaken at Greater Edinburgh Parks (GEP) to support the development of the GEP Employment Lands Development Plan Amendment (DPA), which was released for agency and public consultation in mid-2013.

Given the strategic importance of GEP as a major employment destination for the State, Renewal SA believes GEP should be a priority for rezoning to facilitate further employment activity in Northern Adelaide.

While the precinct planning mechanism under the Urban Renewal Act could ultimately achieve the desired change in zoning at GEP, it would require a significant duplication of work that has already been completed under the current DPA process including the preparation of and consultation on new planning documents (precinct master plan and precinct implementation plan) as well as the establishment of a precinct authority, community reference panel and urban design panel.

Renewal SA believes the most efficient mechanism to achieve the desired rezoning outcome at GEP is through the existing GEP Employment Lands DPA process, and has written to the Department of Planning, Transport and Infrastructure advising of this matter. This proposed approach has also been discussed with the Chief Executive of your Council.

Accordingly, I write to advise that I do not intend to proceed with the establishment of a precinct at Greater Edinburgh Parks at this time.

If you have any questions about this matter, please contact John Hanlon, Chief Executive, Renewal SA, on telephone 8207 1444.

Yours sincerely

HON STEPHEN MULLIGHAN MP
MINISTER FOR HOUSING AND URBAN DEVELOPMENT

16 May 2016

Minister for Transport and Infrastructure
Minister for Housing and Urban Development

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7 August 2015

Hon. John Rau, MP
Minister for Housing and Urban Development
GPO Box 464
ADELAIDE SA 5001

Email: agd@agd.sa.gov.au

Dear Minister Rau,

Re: Proposed Precinct encompassing Greater Edinburgh Parks

Thank you for your letter dated 27 July 2015 regarding your proposal under the Urban Renewal Act to establish a Precinct Authority encompassing the Greater Edinburgh Parks area.

We welcome the opportunity to work in partnership with the State Government to develop and transform the northern Adelaide economy, and the proposed Precinct Authority offers one mechanism to advance this agenda. As you have identified, there is also the opportunity to integrate actions of a Precinct Authority with actions under the Northern Economic Plan, which is currently being prepared.

My Council is, as you know, very supportive of the initiatives being pursued by the State Government, such as the Northern Economic Development Plan agenda, and will continue to work with you on the development of this initiative.

This letter is intended to convey our support, and advise that I will be seeking Councils endorsement of our involvement in shaping the development of an Authority at its next meeting on 24 August 2015. It is important that the development and establishment of a Precinct Authority is founded on clear and agreed understanding regarding its activities and operations

In doing so, my Council will be in a position to consider the business case necessary for the establishment of a Precinct Authority, as required by the legislative framework for their establishment.

Yours sincerely

A handwritten signature in blue ink that reads "Gillian Aldridge".

Gillian Aldridge
Mayor

The Hon John Rau MP

Ref: 15HUD0268

27 July 2015

Ms Gillian Aldridge
Mayor
City of Salisbury
12 James Street
SALISBURY SA 5108

Dear Ms Aldridge

I am writing to you to advise that in accordance with Section 7H of the *Urban Renewal Act 1995*, I am considering establishing a precinct that includes encapsulating Greater Edinburgh Parks.

In determining this I have had regard to the critical need to facilitate new jobs within the region, as the transformation away from traditional manufacturing operations supporting the car industry gathers pace.

The establishment of the precinct has the potential to enable the acceleration of investment and the establishment of new industries or redevelopment within the district through the enhanced focus of the Playford and Salisbury Councils and State Government.

The objectives associated with the creation of a precinct encapsulating Greater Edinburgh Parks would include the following:

- create an employment destination for northern Adelaide encompassing manufacturing, research and technology, logistics and transport services, intermodal operations and expansion of defence industries;
- encourage investment and redevelopment of key sites including the Elizabeth Regional Centre, the General Motors Holden site and expansion of intermodal operations adjacent to the interstate rail line;
- establish a governance authority focused on attracting and facilitating investment and job creation;
- provide a framework for the coordinated marketing and promotion of the area.

Further to the above, the establishment of a precinct would be a tangible outcome designed to directly support and accelerate the initiatives of the Northern Precinct Coordination Committee, the Department of State Development's Northern Economic Plan and the recently announced Investment Attraction Agency.

In establishing the precinct authority, I invite Council to be involved in the formation of the precinct objectives, powers and administration. It is not proposed to confer on the precinct authority power to reduce the current revenue base that Council receives.



**Government
of South Australia**

Deputy Premier
Attorney-General
Minister for Justice Reform
Minister for Planning
Minister for Housing and Urban
Development
Minister for Industrial Relations
Minister for Child Protection
Reform
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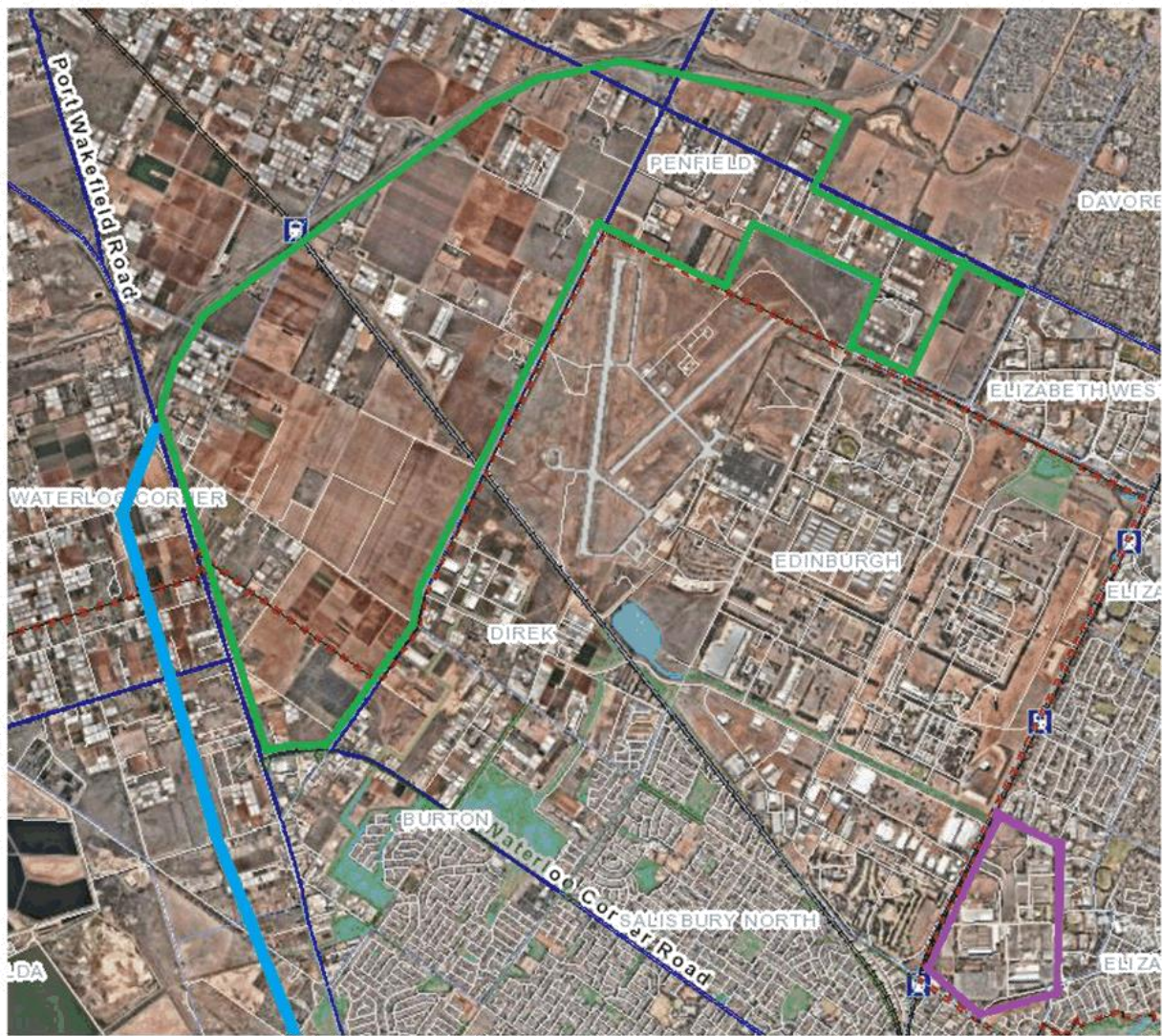
Finally, I propose to declare Renewal SA as the precinct authority and expect the Renewal SA Board to delegate this function to a five-person committee who will administer the precinct. I would like to invite your Chief Executive to be a member of the committee along with a senior representative from Renewal SA, City of Playford, Department of State Development, and Department of Planning Transport and Infrastructure.

I look forward to your consideration and response to this request by 7 August 2015.

Yours sincerely

A handwritten signature in black ink, appearing to be 'John Rau', written over a faint circular stamp.

John Rau
Deputy Premier
Minister for Housing and Urban Development



- Area Affected - Part 2 GEP Employment Lands DPA
- - - - Council Boundary
- Northern Connector (indicative only)
- Holden site

EX-CONFIDENTIAL

*Pursuant to Resolution 1242 of 25/07/2016, item 1.10.2 (except Attachment 5) is now public,
effective 28/07/2017*

ITEM	1.10.2		
	POLICY AND PLANNING		
DATE	18 July 2016		
PREV REFS	Policy and Planning Committee	1.3.3	20/04/2015
	Policy and Planning Committee	1.10.2FI	20/07/2015
	Policy and Planning Committee	1.10.1	21/09/2015
	Policy and Planning Committee	1.10.1	20/06/2016
HEADING	Salisbury Community Hub - Site Selection		
AUTHOR	Chantal Milton, Manager Strategic Development Projects, City Development		
CITY PLAN LINKS	1.4 Have well planned urban growth that stimulates investment and facilitates greater housing and employment choice. 3.2 Have interesting places where people want to be. 4.4 Embed long term thinking, planning and innovation across the organisation.		
SUMMARY	<p>The Salisbury City Centre Community Hub and Office Accommodation project (Community Hub) represents a significant strategic project for Council, with the potential to redefine how we provide services and interact with our community while also contributing towards the delivery of the endorsed Salisbury City Centre renewal agenda.</p> <p>As set out in the last project update report to Policy and Planning Committee in June 2016, investigations have been completed to analyse the short listed sites. This report is the next identified key decision point for the project presenting the outcomes of the land acquisition negotiations and analysis of the short listed sites, leading to a recommendation of the Civic Square site as the preferred site, subject to satisfactory resolution of the land acquisition and a memorandum of encumbrance applying to the site.</p> <p>As previously reported, the recommended Civic Square site is located on land not wholly owned by Council and as such a period of exclusive negotiations with the land owner, DiMauro has occurred concurrent to the site analysis investigations. In-principle contract terms in the form of a Heads of Agreement with the DiMauro Group for this land acquisition are presented as part of</p>		

this report for a decision connected with the preferred site selection.

RECOMMENDATION

1. That the report be received, and the current status of work on the Salisbury City Centre Community Hub and Office Accommodation project including the next steps be noted.
2. That the Civic Square site be endorsed as the preferred site for the Salisbury City Centre Community Hub and Office Accommodation building subject to the satisfactory resolution of the following conditions:
 - Contract terms are secured with the DiMauro Group that reflect the Heads of Agreement document for purchase of Allotment 18 in F105415 and part Allotment 3 in F37216 with associated rights of way and light and air easements provided as Attachment 1 (Item No 1.10.1, Policy and Planning Committee 18/07/2016).
 - The discharge of the existing Coles Myer encumbrance numbered 9101507 registered on Certificates of Title Volume 5540 Folios 833 and 834 or discharge of the Encumbrance and registration of a new encumbrance on appropriate terms that facilitate the delivery of the Salisbury City Centre Community Hub and Office Accommodation project on the Civic Square site as per Attachment 2 (Item No 1.10.1, Policy and Planning Committee 18/07/2016).
3. In the event that the conditions outlined in Recommendation 2 are not able to be achieved a further report will be presented to Planning and Policy Committee outlining an alternate site layout or location for consideration.
4. The Chief Executive Officer be authorised to execute the land contract with the DiMauro Group for purchase of Allotment 18 in F105415 and part Allotment 3 in F37216 with associated rights of way and light and air easements provided in accordance with the Heads of Agreement contained in Attachment 1 (Item No 1.10.1, Policy and Planning Committee 18/07/2016).
5. Pursuant to Section 91(7) of the Local Government Act 1999, it is recommended that the report, attachments, presentation, discussion, recommendations and minutes for this item will remain confidential and not available for public inspection until the contract is executed meeting conditions outlined in Recommendation 2.
6. Pursuant to Section 91(7) of the Local Government Act 1999, it is recommended that the Attachment 5 for this item will remain confidential and not available for public inspection for a period of five years.
7. Pursuant to Section 91(9)(c) of the Local Government Act 1999, the power to revoke the order under Section 91(7)(a)&(b) prior to any review or as a result of any review is delegated to the Chief Executive Officer.

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Heads of Agreement - In Principle contract terms and conditions
2. Coles Memorandum of Encumbrance - Letter and Attachments
3. Salisbury Community Hub Risk Plan
4. Hassell Studios - Salisbury Community Hub Concept Design Analysis
5. Rider Levett Bucknall - Net Present Value & Revenue Analysis
6. Project Program - Target Milestones

1. BACKGROUND

- 1.1 A regional community hub in the Salisbury City Centre is a once in a generation opportunity for Council to deliver on multiple strategic objectives including:
 - Deliver improved community and civic services and facilities to meet the needs of Salisbury's existing and future community.
 - Offers opportunity for rationalisation of Council's existing facilities to:
 - secure improved service and operational efficiencies;
 - optimise floor space usage; and
 - potentially free up Council owned sites within the Salisbury City Centre for strategic outcomes aligned with Council's objectives for the City Centre and to return revenue, through alternate development on these sites.
 - Address the forecast costs associated with the need, in the absence of an alternative, to upgrade the existing Civic Centre to ensure building code compliance in a financially sustainable manner that optimises community benefit from the investment.
 - Act as a catalyst for the Salisbury City Centre Renewal Project through attraction of private and government investment into the city centre.
- 1.2 The project is a critical action in the Salisbury City Plan 2030 and a design and delivery budget was included in the 2016/17 Annual Plan for concept, detailed design and delivery of this project between July 2016 and June 2019.

2. CONSULTATION / COMMUNICATION**2.1 Internal**

- 2.1.1 The project management framework adopted at the beginning of this project identified key decision milestones and regular check-in steps with Elected Members in recognition of the strategic importance and financial commitment linked to this project.

- 2.1.2 An Elected Member workshop was held on 15 February 2015 and an informal strategy session was held on 2 June 2015 to seek feedback on the location options. On 7 September 2015 a proposed approach to progress a detailed review of the preferred option over land not currently controlled by Council was presented. A further update was presented to Elected Members on 27 February 2016 and the site short list work to date and status of the land acquisition negotiations presented to informal strategy on 7 June 2016. Further to this an update report was presented to the Policy and Planning Committee on 20 June 2016 and a presentation on the short listed sites made to informal strategy on 4 July 2016.
- 2.1.3 Staff from the Executive Group, Managers and key specialist disciplines across Council continues to be closely involved in the review and scoping of this project due to its strategic importance.
- 2.1.4 In recognition of the cross-organisational influence of the Community Hub project and its standing as a major organisational priority, an internal project team involving key staff from all departments of Council has been established and meets on a regular basis to contribute to the refinement of the project.
- 2.1.5 A structured internal engagement and communications program is encompassed in the next phase of the project, subject to Council approval of the recommendations in this report.
- 2.2 External
- 2.2.1 Community interest and expectations around this project are high. This reflects the potential of the Community Hub to change how our communities use and access services, in addition to the quantum of the required financial investment.
- 2.2.2 It has been identified as part of the project risk analysis the importance for Council to have a detailed external communication and engagement plan prepared early in the project to guide messaging, engagement timing and project communication to both internal and external audiences. This will be produced as part of the next phase of works once a preferred site is selected and the Project Client Representative and Change Management Consultant are engaged, subject to Council approval.
- 2.2.3 An external specialist Advisory Group was established in January 2016 to work with staff on the scoping of the Community Hub project, meeting regularly to guide the short listed site investigations review and land acquisition negotiation strategy with the DiMauro Group. This group's role on the project concludes with the presentation of this report, recommendation and attachments.
- 2.2.4 Moving forward the Advisory Group will evolve into a formal Project Control Group involving independent specialist experts and key Council representative to oversee and protect Council's interests as the project proceeds into procurement, design & delivery.

3. RISK PLAN

- 3.1 Due to the scale of this project a detailed project risk plan is being continually monitored and updated across the project scoping, design and delivery as a record of risks and adopted mitigation measures. The current project risk plan is provided as Attachment 3.
- 3.2 In addition, once Council has confirmed to proceed with the project, following the initial detailed design and before proceeding with the construction phase a prudential report is required under Section 48 of the Local Government Act 1999. This will be commissioned as an independent report, providing a further layer of transparency and scrutiny of the project particularly in relation to financial capacity to deliver and legislative compliance of our processes.
- 3.3 The project will also entail engagement of an independent probity advisor.

4. STATUS OF DIMAURO NEGOTIATIONS

- 4.1 Architectural site analysis, whole of life (net present value analysis) and updated order of cost analysis of the short listed sites and sub options was completed by Hassell Studios and Rider Levett Bucknall (RLB), with input from Finance Division staff and forms attachments to this report to inform Council's decision on a preferred site.
- 4.2 As previously reported to Council, two preferred sites for the delivery of the Community Hub project were identified from a wide ranging analysis of nine options and sub-options measured and ranked against a set of evaluation criteria to confirm a shortlist of two sites for investigation to inform Council's decision on a preferred site. The two short listed sites were both located within the core of the Salisbury City Centre being:
 - Salisbury Civic Square/John Street with the facility located on land owned by the DiMauro group.
 - Sexton Carpark, corner of James and Church Streets.
- 4.3 Through the land negotiation process with the DiMauro Group the original short listed site adjacent to the Salisbury Civic Square and John Street on land owned entirely by the DiMauro Group was unable to be secured due to existing carpark lease arrangements controlled by the existing tenants. Through this negotiation a hybrid Salisbury Civic Square location combining a smaller parcel of land currently owned by the DiMauro Group and Council's existing Civic Square carpark site was identified as a strong alternative, and explored as part of the option analysis.
- 4.4 A leased office building within a new building built and owned by a private developer/investment partner on the James Street frontage of the existing Civic Centre site, combined with a Council owned community hub on Sexton Carpark has also been explored to allow whole of life (net present value) analysis to be undertaken to understand any relative costs/savings that Council may return under a split ownership model to inform project decision making.

- 4.5 At Informal Strategy on the 7th of June 2016, Elected Members requested two further sub-options be considered including:

- A civic square location located wholly on Council owned land on the Civic Carpark/James Street location
- A split building model involving Sexton Carpark and re-use of part of the existing civic building footprint less impacted by the earthquake compliance works.

Both of these new sub-options have been explored at an architectural level by Hassell Studios. However due to the challenges with both sites, and the high level consideration that neither option is likely to be able to be delivered within the set budget; detailed NPV models on the two options have not been undertaken.

5. ARCHITECTURAL SITE ANALYSIS/SCHEDULE OF AREA TESTING

- 5.1 Hassell Studios principal, David Homburg, engaged as a member of the external Advisory Group, has undertaken an architectural site analysis review of the two short listed options, plus three identified sub-options. This exercise considered the capacity of each site, the resultant building massing in respect to height, and the relative advantages and challenges of each location, through the refinement of a conceptual blocking plan and tested facility schedule of areas. The outcomes of these Hassell investigations are provided in a summary document provided as Attachment 4.
- 5.2 As part of Item No 1.10.2FI, Policy and Planning Committee 20/07/2015 a target floor area and list of included facilities for both the Community Hub and Office components of the building were presented to agree a building scale target to inform project budget estimates and size of site required. This early schedule of areas work identified a target floor area for the facility of 5266m².
- 5.3 Hassell's review of the underlying assumptions behind this floor area and independent review against comparable civic/community/office facilities delivered recently has refined the target floor area and scale of the building. The benchmarked area comparison and proposed floor area adjustments is detailed in Attachment 4 summarised as:
- The overall size of the multi-function activity hall, Council Chambers and central customer service area was reduced by approximately 300m². This reduction was based on feedback that the original designed scale of this space when combined with the flexible foyer/gallery and library/learning centre would have facilitated an event capacity within the building to host between 800 and 1000 people. This is outside any foreseeable need, and the areas of these halls were reduced, retaining a capacity for the building to host a seated gathering for approximately 300 people and standing event for over 500. The Chambers and Hall remain equivalent in size to the existing chamber and gallery in our current civic facility. Further capacity for hosting of community events is facilitated by the location of this building immediately adjacent to open space, and the objective to be able to open the side of the building to spill activity into this space and use it as part of the programmable space.

- The information/learning space has increased slightly (47m²) based on investigation by Hassell to align to standardised library benchmarks and recent delivered case studies including the Cove at Hallett Cove and Stretton Centre, resulting in minor increases/decreases between the individual components. The final floor area for the information/learning space will be refined and tested as part of the architectural concept development during the next phase, as the floor area needs to deliver a flexible information/learning space in preference to a traditional library are understood and tested.
- As previously reported the original office floor plate was calculated based on a transition to an 80% (0.8) desk provision ratio under an Activity Based Working (ABW) model for 100% of Council staff. A hybrid mix of activity based flexible work spaces where staff may not have a dedicated desk (75% of staff with a floor area calculated on a 0.8 ratio as per above) and 25% permanent office desks reflective of the individual work requirements is now proposed. The final configuration and ABW mix will not be known until detailed change management and facility use mapping can be undertaken.
- An office floor plate to house existing staff numbers based on standard guidelines of 12m² per staff member and an occupation ratio for the Activity Based Working component of the floorplate at 0.8 ratios requires a floor area of 2768m² up from the initial estimate of 2314m². While an 80% desk provision ratio has been selected at this stage of the design work, the reality is that with the use of meeting spaces and flexible break rooms 100% of staff can be housed in the office floor plate at the same time if necessary in a combination of formal and informal workstations. Further capacity could be achieved within the office accommodation section of the building, with no increase in building footprint, through an increase in percentage of activity based working and/or decrease in the ratio of desks to staff provided.
- Additionally, a total building grossing factor of 15% to cover back of house, general building efficiencies and building frame and plant that was not included in the original area calculations has now been included.
- As a result the total building area has increased by approximately 1000m² from the early calculations to **6675m²**. Across both short listed sites this scale of floor area requires a three storey building footprint.

5.4 It is important to note that the site blocking plans prepared by Hassell and provided in Attachment 4 should not be interpreted as a resolved building floor plan, and the configuration of spaces within the building is not being provided to Council for approval as part of this report. Further refinement in respect to building floor areas will also be undertaken and refined as part of the next phase of detailed architectural concept work informed by a change management consultant where further opportunities for efficiencies to the building footprint will be explored and tested.

6. ORDER OF COSTS

6.1 As reported in July 2015, prior to the commencement of initial scoping on the Community Hub project, feasibility studies were undertaken by MPH Architects including the calculation of an order of costs required to undertake critical works to resolve the building code compliance of the existing civic centre in respect to

disability access and earthquake code. This baseline expenditure has an order of costs of **\$11.25 million** including lease costs involved to decant staff for a 10 month period due to the disruptions required to complete works on the roof, wall frames and floor.

- 6.2 This quantum of financial commitment is effectively a “sunk cost” and involves associated operational disruption during vacating, relocation, and re-occupying of services. This option results in Council’s services returning to the same building in essentially the same format, with no provision for a renewed building fit-out. Other facilities upgrades, particularly the Len Beadell Library, are also not factored into these costs. As a result of this assessment, other options were explored that assigned Council’s capital expenditure to the delivery of improved community and administration facilities, and to better catalyse Council strategic objectives for the Salisbury City Centre.
- 6.3 While the community hub concept and building area is still being refined, an updated order of costs reflective of the increased floor area has been completed by RLB. The revised order of costs has confirmed that both the Civic Square site and the Sexton Carpark site options are currently estimated within 1% of the established capital budget of **\$44 million**. Given the proximity of the order of costs calculations to the established budget, minor refinement through architectural design to bring the project back within the set budget and investigation of any potential further savings will be explored through detailed concept design and quantity surveying (QS) review to adjust the project scope within budget, refer summary table 1.
- 6.4 The order of costs contained within the set budget include full project delivery, considerate of base build, fit-out, ICT, design & preliminaries, builder margin, contingency fees, project client representative, change management, carparking replacement in an at grade solution, decanting and demolition (if required).

TABLE 1

	16/17 Annual Plan Approved Project Capital Budget (Hypothetical Location)	Civic Square Site	Sexton Carpark Site
<i>Demolition & Site Preparation</i>	\$698k	\$318k	\$178k
<i>Site Infrastructure & Servicing</i>	\$830k	\$1.18m. (1)	\$607k
<i>Building Works & Fit-out</i>	\$35.99m.	\$39.39m.	\$39.24m.
<i>Decanting and Relocation</i>	\$140k	\$105k	\$105k
<i>Open Space / Streetscape Upgrade</i>	\$2m.	\$1.46m	\$1.99m
<i>Demolition Civic Building & Carpark Replacement</i>	\$3.6m	\$1.06m	\$1.2m
<i>Project Client Representative (outside normal professional fee allowances)</i>	\$300k	\$300k (2)	\$300k (2)
Total Order of Cost Estimate	\$43.82m	\$44.3m (3)	\$44.1m (3)

- (1) *Includes \$460k allowance for relocation of the electrical infrastructure from the DiMauro site in the situation that this is Council's preferred approach based on high level independent advice that needs to be qualified based on a specific design solution and direct negotiation with SAPN.*
 - (2) *Final costs to be confirmed via Request for Proposal engagement process commenced June 2016.*
 - (3) *All figures include design/preliminaries and contingency allowances and cost assumptions respond to escalation through to 2018.*
- 6.5 RLB have benchmarked the project construction and fit-out estimates used in the refined order of costs against a number of recent civic/office facility buildings. The assumed square metre rates adopted are at the middle to lower end of the benchmark range, outlined in Attachment 5.
- 6.6 The upfront capital expenditure for a building of this scale and complexity is substantial but needs to be considered and balanced against the potential for operational savings achieved through increased efficiencies. The order of cost opinions assume construction and selection of plant and equipment that will achieve a minimum 5 star Green Star rating/ 5 star National Australian Building Energy Rating (NABER) in construction. This is anticipated to deliver a 50% energy cost savings from the current costs to run existing facilities.
- 6.7 The open space and streetscape upgrade figures relate to the costs associated with the upgrade and fit-out to the external civic plaza and immediately adjacent road streetscape upgrades required to support the broader objectives of the facility vision.
- 6.7.1 For the Civic Square option this includes the retrofit of approximately 1000m² of the existing Civic Square/Carpark to blend into the new building to achieve the vision of indoor/outdoor connectivity and use of outdoor spaces as major event and programmable floor area. Allowances are also made for outdoor projection onto the building, Wi-Fi, Community Artwork & Founder/Cemetery interpretative signage along with associated landscaping/paving/bollards/lighting and edge treatments to John Street.
- 6.7.2 The Sexton Carpark option costs are higher as this factors in the requirement for changing James Street into a single level shared street able to be closed with bollards for major community events; streetscape upgrades to James Street, James Lane & Church Street; and recreation of a 1000m² public green plaza within the existing civic site on the northern edge of James Street as a replacement asset to the Civic Square to achieve Council's broader vision for the project.
- 6.8 In summary, there has been an increase in costs for the building and fit-out reflective of the increase in floor areas previously outlined in this report, offset by individual proponent refinements and reductions achieved through calculation on a specific site rather than a hypothetical location. It should also be recognised that the 2016/17 Annual Plan budget is based upon 2015 QS estimates available at the time. The most recent modelling incorporates updated QS estimates taking into account inflationary factors since the original estimates and estimated cost escalation through to proposed completion in 2018/19.

7. LAND ACQUISITION / LAND DISPOSAL REVENUE CONSIDERATIONS

- 7.1 The cost of land acquisition of the DiMauro site is included in the NPV scenario modelling, but is in addition to the estimated \$44 million capital cost. Similarly the potential returns from sale of Council land freed up for development under each of the options has been included in the NPV scenario modelling, but is not considered in the capital cost of \$44m. These forecast income streams reflected in the NPV model from surplus property sales informs the estimated net project delivery cost of \$36.75m cited in previous reports.
- 7.2 It should be noted that the only known factor in the property acquisition and land disposal component of the project budget is the \$2.75 million negotiated land acquisition cost for the DiMauro site as outlined below in Section 9.0.
- 7.3 Projected return from land sales is based upon valuations rather than actual market testing. The exact price and terms of land sales and timing for release to market will be subject to market forces and Council decisions on objectives of sale. Given these unknowns the land acquisition/disposal and associated revenue potential has been considered separately to the capital budget but a high level assumption for timing of the potential sale has been included in the NPV models to provide a more complete picture to inform Council decisions.
- 7.4 One known risk for the return of revenue from creation of new commercial office floor plates in the City Centre is recent decisions by State Government to close the Northern Adelaide Mental Health Network (NAMHN) & Family SA services in the Salisbury City Centre. Both of these buildings will be put back into the office market and offer large and in the case of the NAMHN building, contemporary office accommodation into the Salisbury market. The release of these offerings will test the depths of commercial interest in Salisbury City Centre and subject to the outcome may warrant delay of the release of further commercial offerings on surplus Council land into the market in order to maximise potential financial returns and optimize strategic outcomes.
- 7.5 The assumptions around the timing of release of land for sale and return of potential revenue included in the NPV models assumes;
- Sale of Len Beadell Library, with vacant possession via a release to market in late 2018, seeking sale and occupation by a new owner immediately upon Council vacating the building. This timing will seek to ensure a vacant building is not left on John Street adjacent to the new community hub. However it should be noted that there may also be market interest in a comprehensive redevelopment in the short to medium term of the Len Beadell library site.
 - Sale of Sexton Carpark (available for the Salisbury Civic Square option only) is timed as the first vacant land sale of Council land assets assumed to return revenue in 2019, subject to market interest. This prioritisation has been chosen as Council had previously confirmed via a decision to release Sexton Carpark to market as the preferred early delivery development parcel for a mixed use building. The sale of Sexton would be on the assumption that the future building works either incorporates within the footprint the existing carparking over and above any new use demand and/or carparking is replaced on an alternate site in the City Centre in a deck arrangement (likely upon the Judd Street carpark).

- The NPV models assume that the existing Civic Centre building is demolished as part of the project order of costs to ensure a large vacant building is not left abandoned in the City Centre. The balance of the existing Civic Centre land is expected to be grassed and simple hoarding installed to define the edge of the site and be used to promote the City Centre and/or land sale opportunities/visioning, pending redevelopment.
- Part of the existing civic centre site will be reserved for the required Church Street extension corridor, anticipated to involve an area of 2180m². Noting that this road corridor has a width that will facilitate provision of on-street parking as part of a future road that can offset parking elsewhere on the site.
- An area of approximately 3084m² adjacent to the cinema is likely to be retained and used for replacement of at-grade carparking to replace carparks lost as a result of the Community Hub site selection, retaining the bulk of existing staff parking already in this location to maintain a net ratio of parks in the City Centre. This carpark land then serves as a land bank for future sale when the commercial viability and economics of carparking in the Salisbury City Centre may justify delivery of a multi-deck parking solution.
- The balance of the Civic Site (5242m²) would be available for sale for mixed use development scheduled in the five years post occupation of the Community Hub, subject to market forces and future Council decisions. Noting that in respect to the Sexton Carpark short listed site, this area would be reduced by 1000m² as a result of the additional open space area needing to be created.

8. NET PRESENT VALUE (NPV) SCENARIO MODELLING

- 8.1 A whole of life (Net Present Value) calculation has been completed over three scenarios to identify the potential operational savings and sensitivities of different funding/ delivery models. A 15 year analysis period has been adopted as industry standard for this form of modelling. This timeframe is different to the life expectancy of the asset which would be approximately 50 years (with three major fit-out upgrades required across this lifespan). A sensitivity analysis out to 20 years has been undertaken and is documented within Attachment 5.
- 8.2 The NPV model also considers the potential lease revenue Council could secure from the 400m² lettable floor space included in the current schedule of areas (identified for use as a café/business incubator) until space is required for expanded community or office accommodation, building a cost effective expansion capacity into the building footprint as part of the initial investment.
- 8.3 The outcomes of this modelling exercise has effectively confirmed that over a 15 year timeline there is not a significant financial differential on whole of life NPV when comparing options to own vs. lease the office component of the Community Hub with the two alternate building site options for a wholly-owned Council facility, such as to influence the decision. This NPV outcome supports Council to determine a preferred site and delivery model based on broader strategic objectives alone.

9. DIMAURO LAND ACQUISITION NEGOTIATIONS

- 9.1 As reported in June 2016, during discussions on the original John Street acquisition site with the DiMauro Group, a 'hybrid' site unaffected by the major tenant carparking lease agreements, incorporating the small building that backs on to the Salisbury Civic Square, was identified as a parcel of potential interest to Council, subject to reaching agreement to terms. This site is of strategic interest to Council for either the construction of the Community Hub and/or future expansion of the Civic Square. This 'hybrid' site reflects the area adopted for the Salisbury Civic Square short listed site investigations discussed above.
- 9.2 The DiMauro group indicated a willingness to consider an offer from Council on this land holding, and both parties entered into a Heads of Agreement to negotiate in good faith and exclusively on this parcel until 31 August 2016.
- 9.3 During the negotiation period DiMauro provided evidence of a signed lease extension offer from an existing tenant of the building on the subject land, seeking to expand the Indian Grocery operations to take up the complete floor space of this building. It is expected that the DiMauro Group would progress to execute this lease should negotiations with Council not be successfully resolved.
- 9.4 Council engaged McGees Property to prepare a market valuation for the DiMauro site to inform Council's offer. The valuation received presented a market valuation range of between \$2.25 million (representative of the existing leases within the property being the Indian Grocer and Northern Adelaide Local Health Network – soon to expire and not being renewed by the tenant); and \$2.6 million (considerate of the signed offer to lease presented for the Indian Grocer to expand into the entire building).
- 9.5 The DiMauro Group's initial offer for sale of the subject land to Council was \$3 million plus costs to relocate a transformer on the land that services the Parabanks Centre. Subsequent negotiations resolved a revised price offer of **\$2.75** million subject to the following terms set out in the Heads of Agreement – In-principle contract terms provided as Attachment 1:
- Light & Air Easements and Right of Way benefits over the Parabanks Shopping Centre loading bay to facilitate back of house service of the future community hub building and built form envelope up to the edge of the acquired site.
 - Council carries electricity infrastructure relocation costs for the existing transformer and Meter Cubicle with associated high voltage cable easements located on the site that service the Parabanks Shopping Centre. Costs for relocation of this Electricity Infrastructure have been forecast in the order of \$460k. Alternatively, the electricity infrastructure could remain in situ on the site either within appropriate easements or be excised from the site remaining in DiMauro ownership subject to clarification from SA Power Networks on the required clearance zones and the resultant impact this may have on the building footprint. Council will need to identify our preferred option in respect to the electricity infrastructure as part of the final contract terms, however the \$460k relocation cost estimate is included within this options order of costs.
 - Settlement conditional upon vacant possession, all lease holders' agreement to the required subdivision being obtained, with the latest projected settlement date on or before 30 June 2017.

- 9.6 While the current offer negotiated is 5.7% over the market valuation, acceptance of the offer is recommended. This advice is considerate of the following:
- The land acquisition cost of this Civic Square site will be partially offset by the retained future opportunity for sale of the Sexton Carpark. The final value achieved will be determined by market interest, building requirements placed on the sale and timing of release to market. The option of sale of the Sexton carpark site does not exist if the site is used for the Community Hub development.
 - The Civic Square site for the Community Hub would save approximately \$530k in additional open space works that would be required to rebuild a new civic /public plaza adjacent James Street for the Sexton Carpark site. This outcome would also split the open space provision for the City Centre in two, with the associated ongoing maintenance impacts, which are over and above the capital costs and have not been calculated.
 - Purchase of this parcel, secures the demolition of the low value single storey building that currently backs a blank wall onto the Salisbury civic square and event space. Its removal strongly aligns to Council's adopted strategic objectives for the City Centre Renewal. If this land is not acquired this building is likely to stay in situ for at least the term of the new lease proposal.

10. COLES MYER ENCUMBRANCE

- 10.1 The Salisbury Civic Square and associated Civic Square Carpark is subject to a Memorandum of Encumbrance in favour of Coles Myer. The encumbrance was registered in 2001, as part of the transfer of this land (and an associated building that has since been demolished that previously operated as a retail tenancy – the Reject Shop).
- 10.2 Investigations completed into the contract arrangements and terms of transfer make it evident that the original intent of the Encumbrance was negotiated to protect Coles commercial interest and position and avoid use of the old building or site for a retail supermarket. The existing encumbrance requires Council to not use the land except for the purpose of carparking and as town square green space.
- 10.3 As a result, Council requires the support of Coles to either discharge or amend the encumbrance to facilitate construction of Council's Community Hub. Any contract terms negotiated with the DiMauro Group will be contingent on Coles agreeing to these terms.
- 10.4 A formal request letter was provided to Coles representatives requesting consideration of this change in late June, a copy is provided as Attachment 2. A follow-up meeting with Jack Booth – Retail Leasing Manager SA/NT Property has been organised for 14th of July 2016. A verbal update on the outcomes of this meeting with Coles will be provided at the Planning Policy Meeting as timing will not allow an update to be included in the written report.

11. PREFERRED SITE RECOMMENDATION

- 11.1 The Salisbury Community Hub Options Analysis prepared by Hassell in Attachment 4, sets out the site positives, challenges and relative advantages of each of the investigated site options to inform Council's preferred site selection.

- 11.2 The investigations have confirmed that any option that proposes to split the components of the Community Hub into two separate buildings as per two of the sub-options will add additional floor space and cost (both capital and operational) to the project. If both buildings are owned by Council this is unlikely to be able to be delivered within the established project budget without significant compromises.
- 11.3 As outlined in this report, while both Sexton Carpark and the Civic Square site have been tested and have the size and capacity able to facilitate the delivery of the Community Hub, the Salisbury Civic Square site is considered to be the strongest option when considered against the other options and will best position this project to deliver on the endorsed vision and shaping principles established by Council as part of the initial phase of this project.

12. CONCLUSION / NEXT STEPS

- 12.1 This report presents the outcomes of the site option investigations to test the identified sites for the Community Hub project and outcomes of the associated land acquisition negotiations undertaken across the last nine months. Based on the findings of these investigations the Salisbury Civic Square site is recommended to Council as the preferred site for the construction of the Salisbury Community Hub and Office Accommodation project, subject to resolution of the land acquisition terms with the DiMauro Group and satisfactory removal or adjustment of the Coles Myer Encumbrance.
- 12.2 Concurrent with the selection of a preferred site, an approach to market for the engagement has commenced of a Project Client Representative to act for and protect Council's interests across detailed design and delivery of this project as outlined in the previous June 2016 project update report. Council has received strong interest in this role and it is anticipated that this resource will be confirmed by early August.
- 12.3 Endorsement of the Salisbury Civic Square as the preferred site subject to the resolution of the conditions outlined in this report will allow the project to proceed to the next phase across the last six months of 2016. This next phase of this project, to be driven by the newly established Project Control Group (PCG) and engaged Project Client Representative, will involve the development of a detailed project procurement strategy, architectural brief, prudential report and project program and decision milestones for the project. Detailed concept and design development is currently scheduled to commence by late 2016 as required to meet the agreed project milestone to commence construction of the Community Hub by 1 July 2017.
- 12.4 Concurrent with this process, a change management consultant will be engaged to begin the process of mapping existing facility usage and investigating service delivery models to inform the architectural brief, in addition to developing an internal communication strategy to guide the transition to activity based working and a new facility.
- 12.5 In summary, a comprehensive process of site analysis and testing of project costs has identified the Civic Square/DiMauro site option as the preferred option when measured against Council's approved project objectives. This is one of the milestone decision points in the Community Hub Project.

CO-ORDINATION

Officer:	EXECUTIVE GROUP	GMCID
Date:	12.07.16	14.07.16

**HEADS OF AGREEMENT
In-principle contract terms**

CITY OF SALISBURY

**PARABANKS SHOPPING CENTRE PTY LTD as trustee for
PARABANKS SHOPPING CENTRE UNIT TRUST**

**Norman
Waterhouse**
LAWYERS

Level 15, 45 Pirie Street
Adelaide SA 5000
Telephone + 61 8 8210 1200
Fax + 61 8 8210 1234
www.normans.com.au

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DATE**PARTIES**

CITY OF SALISBURY (ABN 82 615 416 895) of PO Box 8, Salisbury SA 5108 (**Council**)

PARABANKS SHOPPING CENTRE PTY LTD as trustee for PARABANKS SHOPPING CENTRE UNIT TRUST(ABN 60 655 695 840) of Level 13/90 King William Street, Adelaide SA 5000 (**DiMauro**)

BACKGROUND

- A. DiMauro is the registered proprietor of certain land adjacent to the Salisbury Civic Square (**DiMauro Site**).
- B. Council has identified that the purchase of the DiMauro Site may assist Council with its initiative to revitalise its city centre, which may include the construction of the new Salisbury City Centre Regional Community Hub, associated office accommodation, civic and community space, and other ancillary purposes (**Objective**).
- C. The Parties entered into a heads of agreement dated 10 June 2016 to provide for a period of exclusivity during which the Parties could negotiate the terms of a potential sale and purchase of the DiMauro Site (**First HOA**).
- D. The Parties have come to an in-principle agreement in relation to the sale and purchase of the DiMauro Site and wish to document the terms of that agreement, with a view to shortly proceeding to entering into a binding contract for such sale and purchase, subject to certain conditions.

AGREED TERMS**1. DEFINITIONS AND INTERPRETATION****1.1 Definitions**

In this agreement:

Air Level Electricity Infrastructure Land means that portion of the Electricity Infrastructure Land from 34m high;

Contract means a contract for the sale and purchase of land in the form of the Law Society of South Australia Standard Contract for the Sale and Purchase of Land on such terms and including such special conditions as are required to document the terms set out in this agreement and such other terms as the Parties may subsequently agree.

DiMauro Composite Site means the DiMauro Reduced Site together with the Air Level Electricity Infrastructure Land;

DiMauro Reduced Site means the DiMauro Site minus the Ground Level Electricity Infrastructure Land;

DiMauro Site means the allotment adjacent to the Salisbury Civic Square, being the land comprised in Certificate of Title Volume 5540 Folio 836, Allotment 3 Filed Plan 37216 and a portion of the adjacent allotment (comprising an area of

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401m2 comprised in Certificate of Title Volume 5164 Folio 941 together with associated Right of Way and light, air and service easements marked A, B and G in favour of Council as depicted on the plan described as Contract Plan A attached as Annexure A.

Existing Electricity Transformer means the existing transformer and SA Power Networks metering cubicle located on the DiMauro Site as at the date of this agreement, which is depicted as E in the plan described as Contract Plan C attached as Annexure C.

Existing Electricity Supply Cables means the existing electricity supply cables located on the DiMauro Site as at the date of this agreement.

Existing Electricity Infrastructure is a collective term to include both the Existing Electricity Transformer and the Existing Electricity Supply Cables, as depicted on Annexure B.

Electricity Infrastructure Land means the land located on the DiMauro Site as generally depicted as D/H and C on the plan attached as Annexure A, where the Existing Electricity Infrastructure is located as at the date of this agreement, which, if required, may include minimum width access paths as may be directed by the SA Power Networks.

Encumbrance has the meaning given to it in clause 4.1.3.3.

Exclusivity Period means the period commencing on the date of this agreement and expiring on the Expiry Date.

Expiry Date means the earlier of the date on which this agreement is terminated in writing by the Parties and the date of execution of the Contract.

First HOA has the meaning given to it in Background recital C.

Ground Level Electricity Infrastructure Land means that portion of the Electricity Infrastructure Land from ground level to 33.99m high;

Objective means the Council's objective to revitalise the city centre, which may include the construction of the new Salisbury City Centre Regional Community Hub, associated office accommodation and other ancillary purposes deemed necessary by the Council.

Parties means both of the Council and DiMauro, and **Party** means one of the Parties.

1.2 Interpretation

In this agreement, unless the context otherwise requires:

- 1.2.1 headings do not affect interpretation;
- 1.2.2 singular includes plural and plural includes singular;
- 1.2.3 a reference to a party includes its executors, administrators, successors and permitted assigns;
- 1.2.4 a reference to a person includes a partnership, corporation, association, government body and any other entity;

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- 1.2.5 a reference to this agreement includes any schedules and annexures to it;
- 1.2.6 an agreement, representation, warranty or indemnity by two or more parties (including where two or more persons are included in the same defined term) binds them jointly and severally;
- 1.2.7 an agreement, representation, warranty or indemnity in favour of two or more parties (including where two or more persons are included in the same defined term) is for the benefit of them jointly and severally;
- 1.2.8 a reference to legislation includes any amendment to it, any legislation substituted for it, and any subordinate legislation made under it;
- 1.2.9 an unenforceable provision or part of a provision may be severed, and the remainder of this agreement continues in force, unless this would materially change the intended effect of this agreement.

1.3 Background

The Background forms part of this agreement and is correct.

2. STATUS

This agreement is legally enforceable and binding, however the parties acknowledge and agree that no obligations in relation to any sale or purchase of the DiMauro Site are binding until the Contract has been executed by both Parties.

3. TERM OF THIS AGREEMENT

This agreement commences on the date of its execution and expires on the Expiry Date.

4. TERMS OF THE CONTRACT

4.1 The Parties have agreed in-principle to enter into a Contract for the sale and purchase of the DiMauro Site on the following terms and conditions:

- 4.1.1 purchase price of \$2,750,000.00 (exclusive of GST);
- 4.1.2 Council is to elect prior to finalisation of the Contract whether the Existing Electricity Infrastructure will:
 - 4.1.2.1 be relocated, at Council's cost, to other DiMauro land on the following terms:
 - (a) DiMauro must use its best endeavours to work with the Council to facilitate the completion of the relocation works to a location proximate to the Existing Infrastructure Land on terms acceptable to the Council, acting reasonably; and
 - (b) following relocation, the Existing Electricity Infrastructure must be operational to maintain service to the Parabanks Shopping Centre and compliant with all applicable technical and regulatory requirements as at the date of relocation, **PROVIDED ALWAYS THAT**

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there is no requirement whatsoever for the Council to provide or otherwise facilitate operation of the Existing Electricity Infrastructure that operates at a capacity greater than as at the date of this agreement.

or

- 4.1.2.2 remain in situ, and for the Ground Level Electricity Infrastructure Land to be excised from the DiMauro Site, thus remaining in the ownership of DiMauro. Under this option, Council will purchase the DiMauro Composite Site, with the following interests to be granted (at Council's cost but for no consideration):

- right of way and light, air and service easements in favour of Council over the areas marked A, B and G;
- service easement in favour of SA Power Networks over the area marked C;
- right of support in favour of Council over the area marked D;

as depicted in the indicative plan described as Contract Plan B attached at Annexure B;

or

- 4.1.2.3 remain on the DiMauro Site, with the following interests to be granted (at DiMauro's cost but for no consideration):

- right of way and light, air and service easements in favour of Council over the areas marked A, B and G;
- service easement in favour of DiMauro and/or SA Power Networks over the areas marked C and E;

as depicted in the indicative plan described as Contract Plan C attached at Annexure C;

- 4.1.3 settlement under the Contract will be subject to:

- 4.1.3.1 vacant possession, including consent of all registered lessees whose consent may be required;
- 4.1.3.2 DiMauro obtaining the consent to the sale and purchase of the DiMauro Site or the DiMauro Composite Site (as applicable) and the creation/granting of all necessary easements from all registered lessees and mortgagees, any entity or body exercising regulatory powers and Coles Supermarkets Australia Pty Ltd pursuant to its interest under an Agreement to Lease with DiMauro dated [insert];
- 4.1.3.3 deposit of a plan of division (at DiMauro's costs) generally in accordance with the indicative plan attached at Annexure A creating the DiMauro Site or the DiMauro Composite Site (as applicable) as a separate allotment (subject to the outcome of clause 4.1.2), including:
- (a) creation of such service and other easements as described in clause 4.1.2 and as are required to service the DiMauro Site or the DiMauro Composite Site (as applicable) (at Council's cost but for no consideration); and

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- (b) if applicable, the creation of any easements necessary to service other DiMauro land (at DiMauro's cost but for no consideration).

4.1.3.4 full discharge of the existing encumbrance numbered 9101507 registered over Certificates of Title Volume 5540 Folios 833 and 834 (**Encumbrance**) OR discharge of the Encumbrance and registration of a new encumbrance on such reduced terms as will facilitate Council's Objective, as determined by Council

4.1.3.5 the execution of an encumbrance to document the provisions of clause 4.1.4 (if applicable).

4.1.4 In the event that:

4.1.4.1 Council elects to purchase the DiMauro Composite Site under clause 4.1.2.2 of this agreement, or Council elects for the Existing Electricity Infrastructure to remain in situ within the DiMauro Site subject to easements in favour of DiMauro for access to the Electricity Infrastructure Land under clause 4.1.2.3 of this agreement; and

4.1.4.2 DiMauro, at DiMauro's sole and absolute discretion, ceases to use the Existing Electricity Infrastructure (for the avoidance of doubt, DiMauro may replace the Existing Electricity Infrastructure with new and upgraded electricity infrastructure and can continually replace the electricity infrastructure at the Electricity Infrastructure Land for as long as DiMauro, in its sole and absolute discretion, deems fit);

DiMauro agrees to:

4.1.4.3 extinguish all easements granted to DiMauro under clause 4.1.2.3; and

4.1.4.4 if applicable, transfer the Ground Level Electricity Infrastructure Land to the Council for nil consideration (with Council bearing all stamp duty and registration costs), subject to the Council attending to, at its cost, the deposit of a plan of division vesting the Ground Level Electricity Infrastructure Land in Council.

4.2 Following the execution of this agreement and subject to the Council formally resolving to authorise its Chief Executive Officer to enter into the Contract on the terms specified in this agreement, Council will instruct its agents to prepare the Contract and the Parties will negotiate the Contract with a view to finalising it as soon as practicable.

4.3 The Parties acknowledge and agree that the Contract will not be binding until such time that it has been executed by the Parties.

4.4 If Council does not formally resolve to enter into the Contract on the terms specified in this agreement by 31 August 2016, either Party may terminate this agreement in writing and the Parties will have no further obligation to each other

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in relation to the sale and purchase of the DiMauro Site, except as set out in this agreement.

5. EXCLUSIVITY

- 5.1 During the Exclusivity Period, DiMauro must not:
 - 5.1.1 approach, deal with or negotiate with a third party in relation to the disposal, or grant of any rights, of the DiMauro Site;
 - 5.1.2 grant or enter into (or continue) negotiations to grant, any new leases (including renewals of existing leases, whether registered or not) in respect of the whole or portions of the DiMauro Site; and
 - 5.1.3 make any statement to the media or undertake any publicity in relation to the Objective and/or any aspect of this agreement without the prior written agreement of the Council.
- 5.2 During the Exclusivity Period, Council will use all reasonable endeavours to submit to DiMauro the Contract to purchase the DiMauro Site.

6. CONFIDENTIAL INFORMATION

- 6.1 Each Party agrees that it will not use any Confidential Information of any other party or allow any Confidential Information of any other Party to be used for any purpose whatsoever, except for the purposes of and in the manner contemplated by this agreement, and agrees that it will:
 - 6.1.1 keep confidential;
 - 6.1.2 take reasonable steps to ensure that the Party's officers and employees do not disclose to a third party;
 - 6.1.3 maintain proper and secure custody of; and
 - 6.1.4 not use or reproduce in any form, any Confidential Information belonging to the other Party.
- 6.2 The duty of confidence referred to in clause 6.1 will not extend to such of the Confidential Information as:
 - 6.2.1 was known to the Receiving Party as at the date of this agreement otherwise than as a result of disclosure by the Disclosing Party;
 - 6.2.2 was in or becomes part of the public domain otherwise than as a result of a breach by the Receiving Party of its obligations under this agreement;
 - 6.2.3 is disclosed to the Receiving Party by any third party which does not owe any obligation to the Disclosing Party (directly or indirectly); or
 - 6.2.4 is required by law to be disclosed by the Receiving Party provided that the Receiving Party will immediately notify the Disclosing Party of any such requirement – if possible before making the disclosure.
- 6.3 The onus of proof of the matters referred to in clause 6.2 is on the Receiving Party.

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- 6.4 Notwithstanding the provisions of clause 6.1 Confidential Information may be disclosed by the Receiving Party:
- 6.4.1 to employees, legal advisers, auditors and other consultants of a party requiring the information for the purposes of this memorandum of understanding; or
 - 6.4.2 with the consent of the Disclosing Party, which consent may be given or withheld at the Disclosing Party's absolute discretion.
- 6.5 If the Receiving Party proposes to release or provide access to Confidential Information under clause 6.4.1, it will not do so until it has obtained from such employers, legal advisers, auditors or other consultants a written undertaking to keep that information confidential and not to release it to any other party.
- 6.6 The *Freedom of Information Act 1991* (SA) (**FOI Act**) gives members of the public rights to access Council documents. The FOI Act promotes openness in governance and accountability of government agencies and to achieve these objects confers on members of the public a legally enforceable right to be given access to documents, including contracts, held by the Council subject but not limited to such restrictions as are consistent with the public interest, commercial in confidence and/or the preservation of personal privacy in respect of those from whom information is collected and held by the Council and other public authorities.
- 6.7 Unauthorised disclosure of Confidential Information constitutes a breach of a party's obligations under this agreement.
- 6.8 For the purposes of this clause:
- 6.8.1 **Confidential Information** means any information (in whatever form and whether recorded or not) which is:
 - 6.8.1.1 designated as confidential;
 - 6.8.1.2 confidential by its nature; or
 - 6.8.1.3 disclosed or obtained in circumstances importing an obligation of confidence;
 - 6.8.2 **Disclosing Party** means a party who discloses its Confidential Information under this agreement and "Receiving Party" means a party who receives Confidential Information under this agreement; and
 - 6.8.3 **third party** means and includes all persons, including all consultants, agents, officers, directors and employees of a party.
- 6.9 The obligations in this clause survive termination or expiry of this agreement.
- 6.10 The Parties acknowledge and agree that the provisions of the First HOA and this agreement are designated as confidential.

7. MISCELLANEOUS

7.1 Alteration

This agreement may be altered only in writing signed by each party.

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7.2 Assignment

A Party must not assign or otherwise deal with this agreement or any right under it without the written consent of each other party.

7.3 Entire agreement

This agreement together with the First HOA:

- 7.3.1 constitute the entire agreement between the Parties about its subject matter;
- 7.3.2 supersede any prior understanding, agreement, condition, warranty, indemnity or representation about its subject matter.

7.4 Waiver

A waiver of a provision of or right under this agreement:

- 7.4.1 must be in writing signed by the Party giving the waiver;
- 7.4.2 is effective only to the extent set out in the written waiver.

7.5 Exercise of power

- 7.5.1 The failure, delay, relaxation or indulgence by a Party in exercising a power or right under this agreement is not a waiver of that power or right.
- 7.5.2 An exercise of a power or right under this agreement does not preclude a further exercise of it or the exercise of another right or power.

7.6 Relationship

This agreement does not create a relationship of employment, trust, agency or partnership between the parties.

7.7 Survival

Each indemnity, obligation of confidence and other term capable of taking effect after the expiration or termination of this agreement, remains in force after the expiration or termination of this agreement.

7.8 Counterparts

This agreement may be executed in counterparts. All executed counterparts constitute one document.

7.9 Governing law

- 7.9.1 This agreement is governed by the law in South Australia.
- 7.9.2 The Parties irrevocably submit to the non-exclusive jurisdiction of the courts in South Australia.

8. COSTS

MST\DOCUMENT1

Each party must pay its own costs of preparing this agreement and any agreement required by it.

EXECUTED as an agreement

Signed for City of Salisbury by its
authorised delegate in the presence of:

.....
Signature of Witness

.....
Signature of Authorised Delegate

.....
Name of Witness (print)

.....
Name of Authorised Delegate (print)

.....
Position of Authorised Delegate (print)

Executed by PARABANKS SHOPPING CENTRE PTY LTD as trustee for PARABANKS SHOPPING CENTRE UNIT TRUST in accordance with section 127(1) of the *Corporations Act 2001* by the authority of its directors:

.....
Print Name of Director

.....
Signature of Director

.....
Print Name of Director/Secretary

.....
Signature of Director/Secretary

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Annexure A CONTRACT PLAN A

EX-Confidential

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EX-Confidential



EX-Confidential

Annexure B CONTRACT PLAN B

EX-CONFIDENTIAL

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EX-Confidential



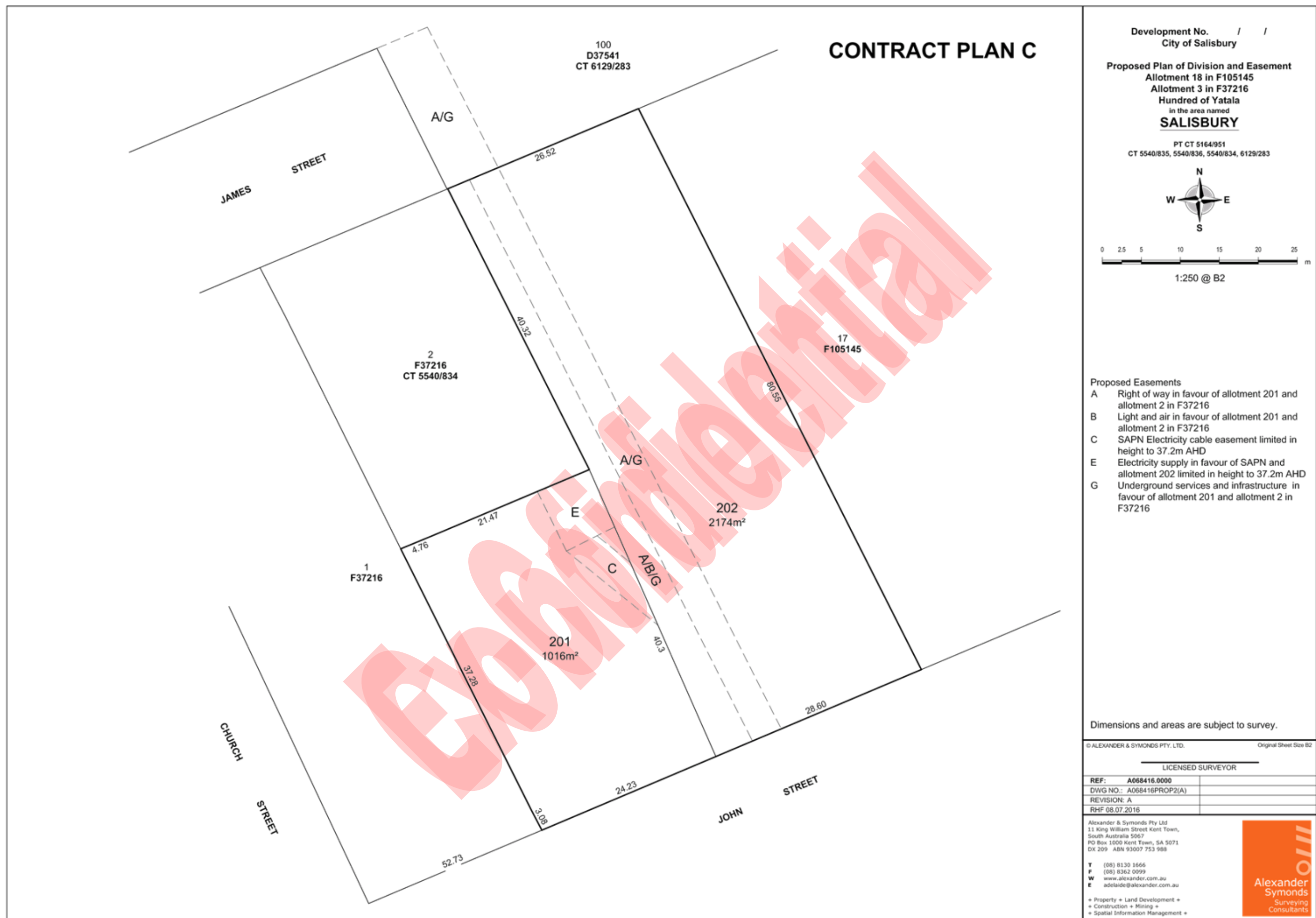
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Annexure C CONTRACT PLAN C

EX-CONFIDENTIAL

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EX-Confidential



EX-Confidential



City of Salisbury
ABN 82 615 416 895

12 James Street
PO Box 8
Salisbury SA 5108
Australia

Telephone 08 8406 8222
Facsimile 08 8281 5466
city@salisbury.sa.gov.au
TTY 08 8406 8596
(for hearing impaired)
www.salisbury.sa.gov.au

29 June 2016

Mr J Booth
Retail Leasing Manager SA/NT Property
Coles
Tenancy 20B / 40 Cheltenham Road,
St Clair, SA 5011

Contact:
Terry Sutcliffe : 8406 8293 /
0414 576 629

Via email – jack.booth@coles.com.au

Dear Mr Booth

Re: Coles Memorandum of Encumbrance - Salisbury Civic Square

I write as a follow-up to the meeting you attended with Salisbury Council representatives on the 6th of April 2016 during which we discussed the City of Salisbury's proposed Development Plan Amendment (**DPA**) as well as Council's proposed new community hub facility that will bring together Council's community, civic, office and library functions within a new purpose built building (**Community Hub Project**).

You will be aware that since 2012 Council, working with all the major landowners, stakeholders and the community, has been reviewing the underlying structure and strategic objectives required to catalyse and trigger new investment and economic activity within the Salisbury City Centre. In this respect, since the meeting in April, the DPA and associated Urban Design Framework has been finalised by Council and the DPA has been submitted to the Minister for Planning for approval.

We acknowledge the recent commitment from Coles to invest in larger premises (and an associated new lease) within the Parabanks Shopping Centre as an indication of the company's positive view on the future growth potential that exists for the Salisbury City Centre. Catalysing further growth and economic investment is a principal objective within our recently adopted City Plan 2030, and Council has committed funding for design and delivery of our new community hub and office complex in the 2016/17 Annual Plan and budget, as part of the regeneration of the Salisbury City Centre. This scale of investment is a once in a generation opportunity for Council to make a major commitment to the economic growth and viability of the Salisbury City Centre.

In respect of the Community Hub Project, Council started with nine different location options including options within and outside the Salisbury City Centre.

We have since reduced the option list to a short list of two, both located within Salisbury City Centre. It is anticipated that Council will make a final decision on the preferred location for the Community Hub in July 2016. The final choice of site location is a critical decision as it has the potential to change how people move and where people congregate in the centre given the high volume of community visitation attracted to Council's facilities.

Discussions have taken place between Council and the DiMauro Group to explore a short-listed site option adjacent to the Parabanks shopping centre and existing Salisbury Civic Square (**Civic Square Site**). Following conversations with key Parabanks tenants, including Coles, it became evident that the retention of carparking areas fronting John Street was a strong priority. These carparking areas are also protected under existing leases, including within the Coles lease. Due to concerns in respect to loss of parking raised in our consultation, the original John Street site option (the Civic Square site) as foreshadowed during our meeting in April is no longer an option under consideration.

As was also foreshadowed at the meeting in April, one of the shortlisted sites is located on land wholly owned by Council located away from the Civic Square, and we continue to investigate that short-listed site option.

However from our on-going site options investigation, a variation to the original Civic Square site option incorporating a Council-owned site adjacent to the Civic Square is now also under active consideration by Council. This site is currently utilised as a public carpark (owned and maintained by Council) which was purchased from Coles Myer in 2001 (**Car Park Site**). The Car Park Site is subject to a memorandum of encumbrance (**Encumbrance**) in favour of Coles Myer, and the affected titles are provided and identified in Attachment 1.

The encumbrance was registered in 2001, as part of the transfer of this land (and an associated building that has since been demolished that previously operated as a retail tenancy - the Reject Shop).

In researching our records relating to the contract arrangements and terms around the transfer for the Car Park Site, it is evident that the original intent of the Encumbrance and contract of sale conditions was to protect Coles' commercial interests and position.

The special conditions of contract specifically relating to the drafting of the Encumbrance' notably section 2, sub section 2.1 and 2.2, outline the background behind the requirement for the Encumbrance.

- 2.1 *The Vendor and the Purchaser agree that the Vendor and/or companies associated with or related to the Vendor conducts a supermarket business or businesses in close vicinity to the Land.*
- 2.2 *To assist in ensuring the commercial viability of the said business or businesses the Purchaser shall on or before settlement enter into a Memorandum of Encumbrance in the form contained within Annexure 2.*

Correspondingly, clause 3 of the Encumbrance states:

The Encumbrancer covenants that:

- 3.1 *it will not use or permit or allow the said Land or any part thereof to be used for or in connection with a supermarket.*
- 3.2 *subject to clause 3.3, it will not use or permit or allow the said Land or any part thereof to be used as part of or in connection with the adjoining shopping centre; and*
- 3.3 *it will not use or permit or allow the said Land or any part thereof to be used other than for the following purposes:*
 - 3.3.1 *carparking purposes and as a town square green space; or*
 - 3.3.2 *until 30 June 2003, by leasing out the building in the said Land at the date hereof (or any part thereof) for non-retail purposes)*

A copy of the Encumbrance and the special conditions of contract referred above are provided as Attachment 2 for your reference.

The City of Salisbury is seeking support and approval from the Coles Group to either discharge the Encumbrance in full, or alternatively, amend clause 3.3 to permit an additional use of the Car Park Site as a civic/community building. At this stage, it is envisaged that the building may include small scale leased spaces of approximately 400m² nett area intended for use as a café and/or ancillary business incubator spaces, making up less than 10% of the total proposed building floor space, in addition to Council's community, civic and administration facilities.

We consider that use of the Car Park Site for the new civic /office facility will:

- provide much needed and improved community facilities within the Salisbury City Centre
- consolidate a number of Council's current services, including our library and customer service centre, into a Community Hub on a centrally-located site within the Salisbury City Centre

- contribute towards activating the existing Civic Square, which will be further upgraded as part of this development proposal to provide improved facilities for major community events.

In addition to centralising Council's activities into the heart of the Salisbury City Centre, should the Car Park Site be selected as the preferred site it will have significant benefits to surrounding traders and property owners, including Parabanks shopping centre.

As discussed above, the alternate short listed site currently under consideration by Council is separated from the Civic Square and the Parabanks shopping centre, and will create a second activity hub and associated plaza area. Consistent with the DPA and the Urban Design Framework, it is currently anticipated that if this alternate site is the successful site, the existing carpark area adjacent to the Civic Square is likely to be converted to an expanded green space.

One of the principles being applied to Council's site selection process is that current carparking numbers on Council-owned sites within the City Centre will be maintained. In relation to the Car Park Site option under current consideration, existing carparking lost as a result of future development of the site will be sought to be replaced on another Council owned site within the Salisbury City Centre.

Council will be seeking to make a final decision on a preferred site in July 2016 to facilitate the immediate commencement of detailed architectural design, proposing to commence construction in mid-2017 with the objective of relocating staff and users into this new facility in early 2019. We recognise that this is an ambitious delivery program and as such need to ensure that any limitations to delivery on either of the two short listed sites are resolved prior to Council's decision.

As such, I am seeking the discharge of the Encumbrance to facilitate ongoing consideration of the Car Park Site as an option for Council's new community hub. This issue has become time sensitive and needs to be resolved quickly, if Council is to continue to pursue this as one of our two site options for our new facility. We are seeking an in-principle agreement from Coles to either discharge or amend the Encumbrance by the 18th of July 2016, with a commitment to sign the required consent documents for lodgement with the Lands Title Office by the end of September 2016.

I trust that you will give due consideration to the potential value of a Council community hub and office facility in a location close to the John Street "front door" to the Parabanks shopping centre and a major pedestrian entry to the Coles tenancy, and I seek your support to initiate the process for approval by Coles to discharge or amend the Encumbrance.

I will be in contact with you to meet as soon as possible to discuss this proposal further.

Should you or your national representatives wish to clarify any elements of this proposal in the meantime, please do not hesitate to contact Terry Sutcliffe, General Manager City Development on 8406 8293.

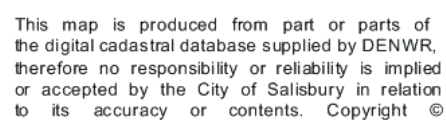
Yours sincerely



John Harry
Chief Executive Officer

Enc

Land Titles - Affected by Coles Myer Encumbrance




Tuesday, June 20, 2016

CERTIFICATE OF TITLE
REAL PROPERTY ACT, 1886

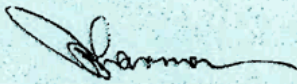
3287


VOLUME 5540 FOLIO 833

Edition 2
Date Of Issue 30/05/1998
Authority RT 8448435


South Australia

I certify that the registered proprietor is the proprietor of an estate in fee simple (or such other estate or interest as is set forth) in the land within described subject to such encumbrances, liens or other interests set forth in the schedule of endorsements


REGISTRAR-GENERAL



REGISTERED PROPRIETOR IN FEE SIMPLE

CITY OF SALISBURY OF PO BOX 8 SALISBURY SA 5108

DESCRIPTION OF LAND

ALLOTMENT 1 FILED PLAN 37216
IN THE AREA NAMED SALISBURY
HUNDRED OF YATALA

EASEMENTS

SUBJECT TO THE EASEMENT OVER THE LAND MARKED A TO THE ETSA CORPORATION (T 4787092)

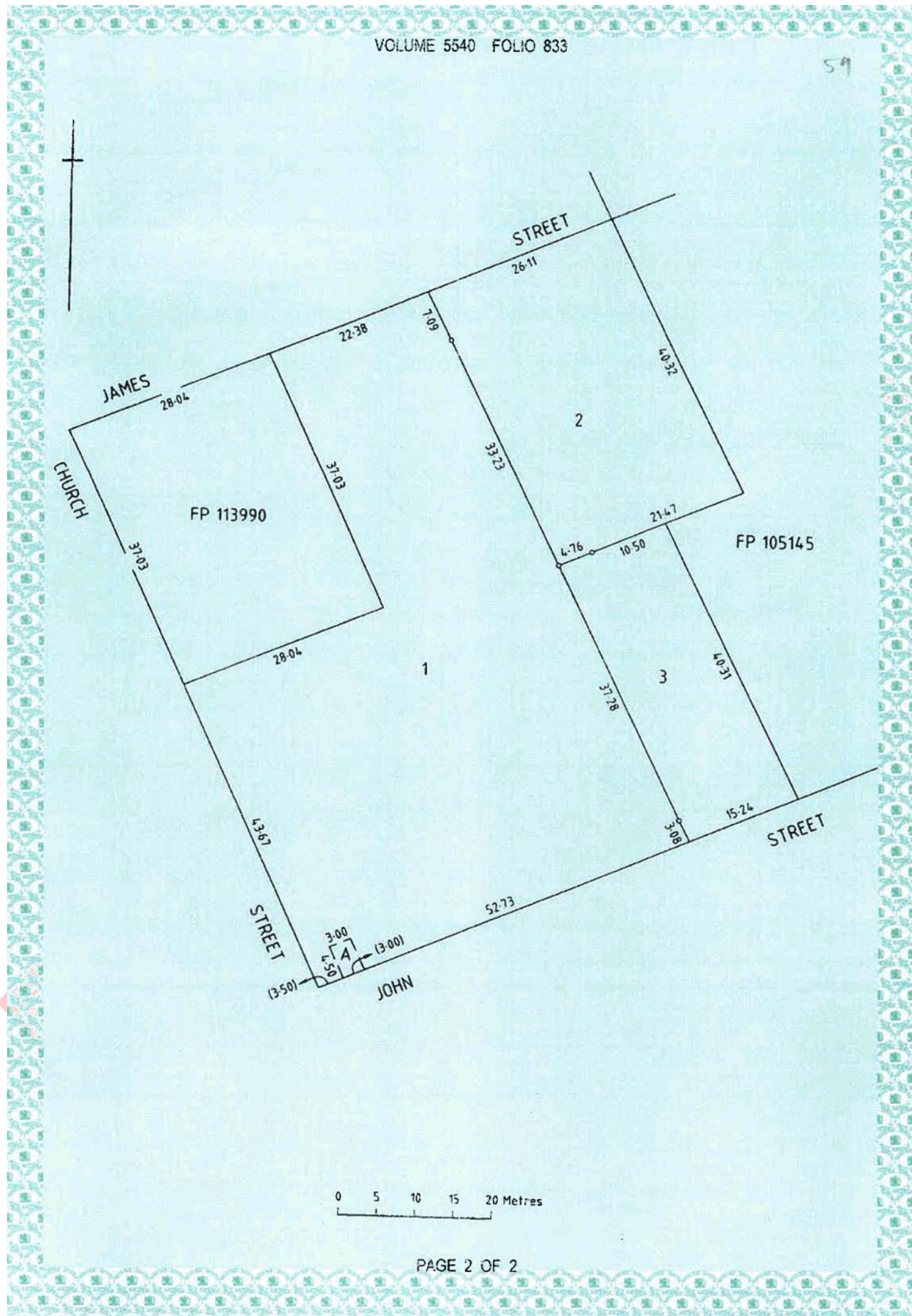
SCHEDULE OF ENDORSEMENTS

9101507 ENCUMBRANCE TO COLES MYER PROPERTIES HOLDINGS LTD. (SINGLE COPY ONLY)

WARNING: BEFORE DEALING WITH THIS LAND, SEARCH THE CURRENT CERTIFICATE

PAGE 1 OF 2


End of Text.



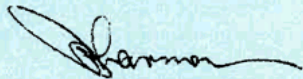

CERTIFICATE OF TITLE
REAL PROPERTY ACT, 1886

VOLUME 5540 FOLIO 834 3288

Edition 2
Date Of Issue 30/05/1998
Authority RT 8448435


South Australia

I certify that the registered proprietor is the proprietor of an estate in fee simple (or such other estate or interest as is set forth) in the land within described subject to such encumbrances, liens or other interests set forth in the schedule of endorsements.


REGISTRAR-GENERAL 

REGISTERED PROPRIETOR IN FEE SIMPLE
CITY OF SALISBURY OF PO BOX 8 SALISBURY SA 5108

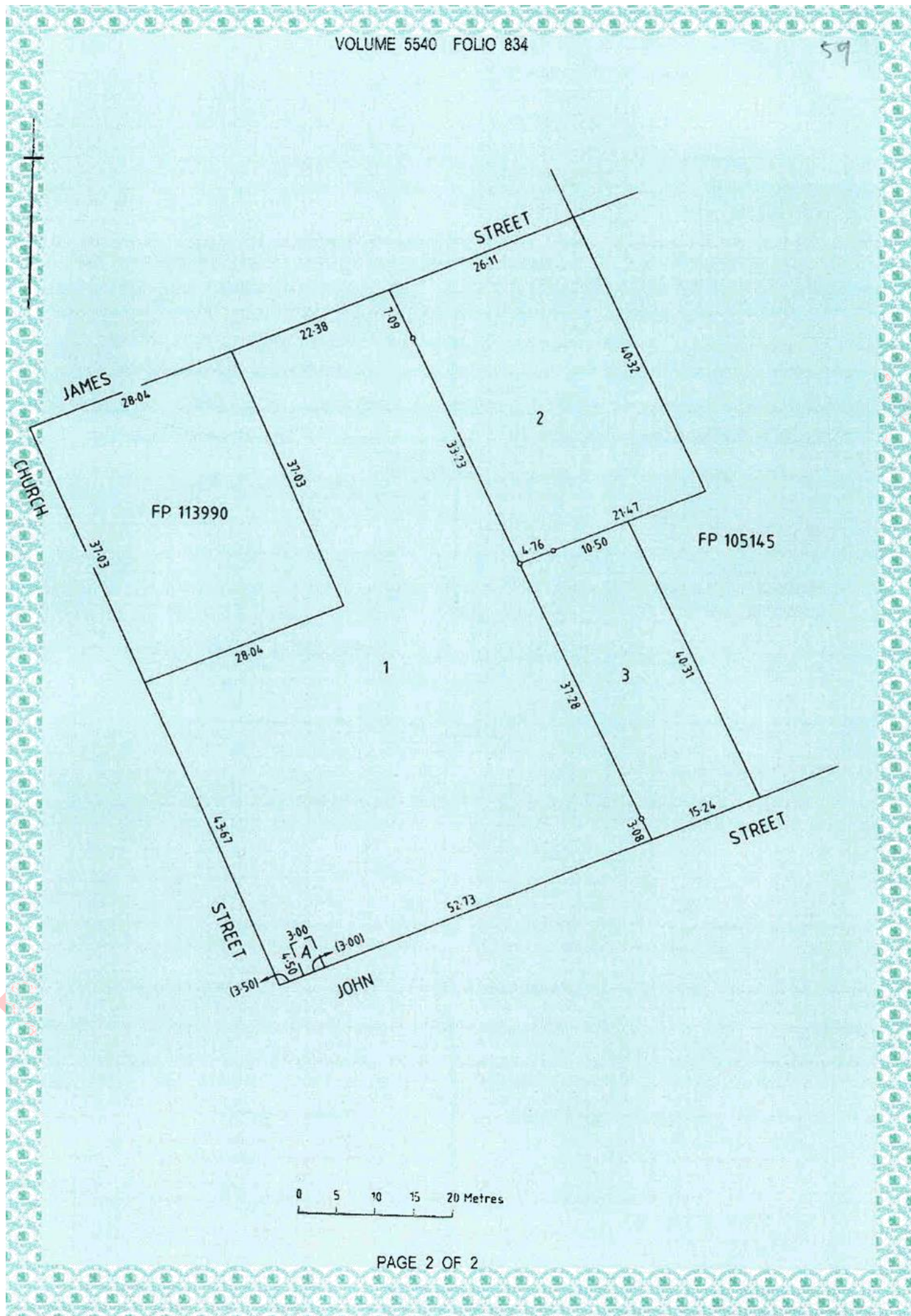
DESCRIPTION OF LAND
ALLOTMENT 2 FILED PLAN 37216
IN THE AREA NAMED SALISBURY
HUNDRED OF YATALA

EASEMENTS
NIL

SCHEDULE OF ENDORSEMENTS
9101507 ENCUMBRANCE TO COLES MYER PROPERTIES HOLDINGS LTD. (SINGLE COPY ONLY)

WARNING: BEFORE DEALING WITH THIS LAND, SEARCH THE CURRENT CERTIFICATE

PAGE 1 OF 2 End of Text.





The Law Society of South Australia

CONTRACT

FOR THE SALE AND PURCHASE OF LAND

Approved by The Law Society of South Australia for the use of its members only
Reprinted April 2000

SCHEDULE

This Schedule is to be read in conjunction with the Contract Terms and Conditions.

The terms opposite the item numbers 1 to 22 have the respective meanings as detailed in the particulars in the Schedule.

THIS AGREEMENT IS MADE BETWEEN THE VENDOR AND THE PURCHASER NAMED AND DESCRIBED IN THE SCHEDULE.

THE VENDOR AND THE PURCHASER AGREE as follows:

Item	Term	Particulars
1.	Vendor (Name, address and description)	Coles Myer Properties Holdings Ltd (ACN 006 308 112) of 800 Toorak Road Tooronga 3146 Name, address and description of owner of the Land: (required if the Land is vacant and subdivided)
2.	Purchaser (Name, address and description)	City of Salisbury of 12 James Street Salisbury 5108 The Purchaser will hold the Land *solely/*as joint tenants/*as tenants in common.
3.	The Land (Description of the Land) (Clause 2)	An estate in fee simple in the whole of the land in Certificates of Title Register Book Volume 5540 Folio 833 and Volume 5540 Folio 834

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4.	Included Property (Improvements fixtures fittings and other property included in the sale) (Clause 3)	As per clause 3
5.	Included Chattels (Chattels sold and included in this sale) (Clause 4)	Nil
6.	Chattels on hire etc. (Chattels on hire, lease, mortgage or bill of sale to be taken over by Purchaser) (Clause 14)	Nil
7.	Excluded Property (Property excluded from the sale including chattels on hire, lease, mortgage or bill of sale) (Clause 4)	Nil
8.	Exceptions and reservations (Clause 5)	Nil

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9.	Mortgages, encumbrances, etc. (Mortgages, encumbrances, liens and interests) (Clause 5)	Nil
10.	Tenancies and other interests (Clause 5)	Nil
11.	Purchase Price (Clause 6)	<p>Amount payable for the Land: \$1,100,000</p> <p>Amount payable for the included chattels: \$Nil</p> <p>Purchase Price: <u>\$1,100,000</u></p> <p>GST (if applicable) \$110,000</p> <p>TOTAL \$1,210,000</p>
12.	Deposit (Clause 7)	Payable on the execution of this agreement \$121,000.00
13.	Balance (including GST, if applicable) (Clause 7)	\$1,089,000
14.	Deposit Holder (Clause 7)	Fisher Jeffries of Level 15, 211 Victoria Square Adelaide 5000
15.	Settlement Day (Clause 8)	30 days following the execution of this agreement by the Vendor and the Purchaser or, if that day is not a business day, the next following business day
16.	Provisions applying to mortgages, tenancies etc. (Provisions which apply to the mortgages, encumbrances, liens, charges, tenancies, licences and other interests referred to in Items 9 and 10) (Clause 8(6))	Not Applicable

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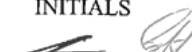


17.	Excess water allowance (Clause 10(4)(d))	\$Nil	(Caution should be exercised to ensure that the sum in this item relates to water use, otherwise the sum in clause 10(4)(d) provides for \$300 to be retained).
18.	Notices and orders (Clause 13)	(i) Matters to be discharged by the Vendor: Nil (ii) Matters to be discharged by the Purchaser: Nil	
19.	Consents (Consents to which this agreement is subject) (Clause 18)	(i) To be obtained by the Vendor: Nil Period within which to be obtained: Not Applicable (ii) To be obtained by the Purchaser: Nil Period within which to be obtained: Not Applicable	
20.	Interest Rate (Interest rate on unpaid money if not in accordance with Clause 19)	As per clause 19	
21.	Costs (Liability for costs if not in accordance with Clause 26)	As per clause 26	
22.	Annexures (Annexures forming part of this contract) (Clause 27)	Annexure 1 - Special Conditions Annexure 2 - Encumbrance	

Note*: Delete if not applicable

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ANNEXURE 1

SPECIAL CONDITIONS

1. Conditions of Land and Improvements

- 1.1 No warranties or representations were made by or on behalf of the Vendor about the Land, including warranties or representations:
 - 1.1.1 about the condition or fitness of the Land;
 - 1.1.2 that improvements on the Land do not encroach on adjoining land;
 - 1.1.3 that improvements on adjoining land do not encroach on the Land.
- 1.2 Without limiting special condition 1.1:
 - 1.2.1 no warranty or representation was made by or on behalf of the Vendor that the Land is not contaminated;
 - 1.2.2 the Purchaser releases the Vendor from all claims (present or future) in connection with any contamination of the Land;
 - 1.2.3 the Purchaser indemnifies the Vendor against all claims and all costs, liability and expenses incurred by the Vendor in connection with any contamination of the Land, or any change in the condition of the Land, occurring after settlement.
- 1.3 Before executing this agreement, the Purchaser:
 - 1.3.1 made its own investigations and enquiries about the Land, including investigations and enquiries about planning and development legislation, planning and development approvals and permits and the use to which the Land can be put;
 - 1.3.2 inspected or had the opportunity to inspect the Land;
 - 1.3.3 is deemed to know the condition of the Land (including latent defects).
- 1.4 The Purchaser buys the Land subject to:
 - 1.4.1 any encroachment affecting the Land;
 - 1.4.2 any misdescription of the Land;
 - 1.4.3 any deficiencies in the area or measurements of the Land;
 - 1.4.4 any restrictions under planning or development legislation;
 - 1.4.5 any easements, rights, exceptions and reservations referred to in the Certificate of Title;
 - 1.4.6 any interests granted by statute affecting the Land;
 - 1.4.7 any other interests affecting the Land of which the Vendor notified the Purchaser in writing before the date of this agreement.
- 1.5 The Purchaser accepts all present fences, even if those fences are not on the correct boundary.
- 1.6 The Purchaser admits that the Land as inspected by the Purchaser is the same as that described in Item 3.

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INITIALS

2. Encumbrance

- 2.1 The Vendor and the Purchaser agree that the Vendor and/or companies associated with or related to the Vendor conducts a supermarket business or businesses in the close vicinity of the Land.
- 2.2 To assist in ensuring the commercial viability of the said business or businesses the Purchaser shall on or before settlement enter into a Memorandum of Encumbrance in the form contained in annexure 2.
- 2.3 The said Memorandum of Encumbrance shall be registered over the Land immediately after the Memorandum of Transfer and in priority to any mortgage or other encumbrance to be registered on the Certificate of Title to the Land.
- 2.4 Each party will bear its own costs with respect to the preparation and registration of the Memorandum of Encumbrance. The Vendor will pay any stamp duty assessed thereon.

3. First Right of Refusal

- 3.1 In consideration of the Vendor entering into this agreement the Purchaser covenants with the Vendor that if during the period of 20 years from the date of this agreement the Purchaser wishes to sell the Land or any portion thereof (hereinafter in this clause called "the Land") it shall first offer the same to the Vendor at the price and other terms and conditions upon which it wishes to sell the same by giving notice in writing thereof to the Vendor.
- 3.2 Should the Vendor within 20 business days of the receipt of such notification by the Purchaser notify the Purchaser in writing that it wishes to purchase the Land at the price and upon the terms and conditions stipulated by the Purchaser then the Vendor or the Vendor's nominee or nominees shall become the purchaser and the Vendor (or its nominee or nominees) shall execute a contract in the form prepared by the Purchaser's solicitors (being a contract containing such terms and conditions as aforesaid) and shall deliver the same to the Purchaser within 15 business days of receipt of the same from the Purchaser together with a cheque for a deposit nominated by the Purchaser not exceeding ten percent (10%) of the purchase price.
- 3.3 Should the Vendor fail to indicate its intention to purchase the Land on the terms and conditions as aforesaid within 20 business days as aforesaid or should the Vendor indicate that it does not wish to purchase the Land on such terms and conditions then the Purchaser may at any time thereafter sell the Land on no more favourable terms than those offered to the Vendor. Should the Purchaser at any time thereafter wish to sell the Land for a lesser price than the price for which it first offered the Land to the Vendor and/or upon other more favourable terms and conditions (to a purchaser) then it shall first offer the Land for sale at that lesser price and/or those more favourable terms and conditions to the Vendor and the provisions as to notification and acceptance or otherwise thereof hereinbefore appearing shall apply.

4. No Assignment

The Purchaser may not assign its rights and interest under this agreement without the consent of the Vendor.

5. Default

- 5.1 If the Purchaser defaults under this agreement and the Vendor gives to the Purchaser notice of default under clause 20 or notice of completion under clause 21, the Purchaser must pay the Vendor's costs in respect of that default and that notice. The default is not remedied until the Purchaser pays those costs.
- 5.2 Paragraphs (1)(b) and (3) of clause 21 are amended by replacing "fourteen days" where that term appears in both paragraphs with "three business days".

6. Stamp Duty

The Purchaser indemnifies the Vendor from all claims and all costs, liability and expenses incurred by the Vendor in respect of stamp duty payable under clause 26(b).

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7. **Memorandum of Transfer**

If the Purchaser so requests in writing, the Vendor must release the memorandum of transfer of the Land to the Purchaser's solicitor before settlement for stamping only. Before settlement, the Purchaser's solicitors hold the memorandum of transfer on trust for the Vendor.

8. **Entire Agreement**



8.1 This agreement is the whole contract between the parties about the Land.

8.2 The only provisions implied in this agreement are those implied by mandatory operation of law.

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ANNEXURE 2
ENCUMBRANCE

EX-Confidential

CERTIFICATE(S) OF TITLE BEING AFFECTED

The whole of the land in Certificates of Title Register Book Volume 5540 Folio 833 and Volume 5540 Folio 834

ESTATE AND INTEREST

Fee simple

ENCUMBRANCES

Nil

ENCUMBRANCER (Full Name and Address)

CITY OF SALISBURY of 12 James Street Salisbury 5108

ENCUMBRANCEE (Full Name, Address and Mode of Holding)

COLES MYER PROPERTIES HOLDINGS LTD (ACN 006 308 112) of 800 Toorak Road Tooronga 3146

OPERATIVE CLAUSE

THE ENCUMBRANCER ENCUMBERS THE ESTATE AND INTEREST IN THE LAND ABOVE DESCRIBED FOR THE BENEFIT OF THE ENCUMBRANCEE SUBJECT TO THE ENCUMBRANCES AND OTHER INTERESTS AS SHOWN HEREON WITH AN ANNUITY OR RENT CHARGE OF

1) Insert the amount of the annuity or rent charge

(a) \$0.10

(b) State the term of the annuity or rent charge. If for life use the words "during his or her lifetime"

(b) TO BE PAID TO THE ENCUMBRANCEE for a term of 99 years commencing on the date hereof

(c) State the times appointed for payment of the annuity or rent charge. Any special covenants may be inserted on page 2.

(c) AT THE TIMES AND IN THE MANNER FOLLOWING - the Encumbrancer hereby encumbers the estate and interest herein specified in the Land abovedescribed for the benefit of the Encumbrancee subject however to the encumbrances as shown hereon with an annuity of \$0.10 (if demanded) to be paid to the Encumbrancee on the 1st day of January following the date hereof and on each succeeding 1st day of January.

IT IS COVENANTED BETWEEN THE ENCUMBRANCER AND ENCUMBRANCEE as follows:

1. Interpretation

1.1 Definition

Unless the contrary intention appears where the context so requires or admits the following expressions shall have the following meanings:

- 1.1.1 "the Encumbrancer" means and includes the said City of Salisbury and where the Encumbrancer is a company shall include its successors and assigns and where the Encumbrancer is a person the heirs executors administrators and transferees of the Encumbrancer and where the Encumbrancer consists of more than one person then every two or more of such persons jointly and each of them severally and their respective successors assigns heirs executors administrators and transferees;
- 1.1.2 "the Encumbrancee" means and includes the said Coles Myer Properties Holdings Ltd together with its successors assigns servants agents contractors lessees invitees customers and all other persons lawfully authorised by the Encumbrancee;
- 1.1.3 "the said Land" means the land rights and easements of the Encumbrancer hereinbefore so described.

1.2 General

Unless the contrary intention appears:

- 1.2.1 words importing the singular shall embrace the plural and words importing one gender shall embrace the other genders and vice versa respectively;
- 1.2.2 any reference to a person shall be deemed to include a corporate body and vice versa;
- 1.2.3 headings are for convenience of reference only and shall not affect the construction or interpretation of the covenants of this Encumbrance.

2. Rent Charge

The Encumbrancer will pay to or for the benefit of the Encumbrancee during the continuance of this Encumbrance the said yearly rent charge in the sum of ten cents (10c) (if demanded) on the 1st day of January following the date hereof and thereafter on each succeeding 1st day of January provided that the Encumbrancee shall not demand payment of the said yearly rent charge if and so long as the Encumbrancer and the Encumbrancer's successors in title shall duly perform and observe all the covenants terms and conditions herein set forth (and the burden of proving such performance and observance shall be with the Encumbrancer) and provided always that none of the foregoing provisions for or in respect of payment of the said annuity or rent charge shall in any way affect or prejudice the rights of the Encumbrancee to an injunction to restrain any breach of the covenants terms and conditions herein set forth or to damages for any such breach.

3. Use of Land

The Encumbrancer covenants that:

- 3.1 it will not use or permit or allow the said Land or any part thereof to be used for or in connection with a supermarket;
- 3.2 subject to clause 3.3, it will not use or permit or allow the said Land or any part thereof to be used as part of or in connection with the adjoining shopping centre; and
- 3.3 it will not use or permit or allow the said Land or any part thereof to be used other than for the following purposes:
 - 3.3.1 carparking purposes and as a town square green space; or
 - 3.3.2 until 30 June 2003, by leasing out the building on the said Land at the date hereof (or any part thereof) for non-retail purposes.

4. Default

If default shall be made by the Encumbrancer in payment of any moneys becoming due hereunder or in the observance or performance of any covenants stipulations or conditions herein contained and if such default shall be continued for the space of seven days it shall be lawful for the Encumbrancee immediately thereupon or at any time thereafter to serve upon the Encumbrancer the notice mentioned in Section 132 of the Real Property Act 1886 (as amended) and if any such default shall be continued for a further period of 60 days after service of such notice it shall be lawful for the Encumbrancee to exercise with reference to the said Land hereby encumbered or intended so to be or any part of the said Land the power of sale and all other powers and authorities conferred upon or reserved or accruing to the Encumbrancee by virtue of these presents and the Real Property Act 1886 (as amended) and it is hereby agreed and declared that any demand notice or requisition to be served or made or given upon or to the Encumbrancer by the Encumbrancee shall be deemed to be duly served or made if the same shall be served personally upon the Encumbrancer or left at the last known or usual place of abode or business (as the case may be) of the Encumbrancer in the said State of South Australia or enclosed in an envelope addressed to the Encumbrancer at the Encumbrancer's address hereinbefore appearing and posted at any post office in the said State of South Australia. Any such demand notice or requisition shall take effect and be deemed to have been duly served upon the same day that it was served left or posted as aforesaid.

5. Transfer

Notwithstanding anything to the contrary herein contained, the Encumbrancer shall not (unless the Encumbrancee waives the benefit of this provision in writing) transfer the said Land or any part thereof without causing (at the cost and expense in all things of the Encumbrancer) the transferee thereof to execute in favour of the Encumbrancee a Memorandum of Encumbrance over the said Land or part thereof (as the case may be), such Memorandum of Encumbrance to be otherwise substantially in the form of this Memorandum of Encumbrance and to be registered at the South Australian Lands Titles Office so that the estate or interest thereby created has priority to all extant or proposed estates interest and rights which affect the said Land or part thereof (as the case may be) save for the estate or interest created by the Memorandum of Transfer of the said Land or part thereof (as the case may be) to such transferee.

6. Waiver

Any waiver by the Encumbrancee of any breach of any one or more of the covenants conditions restrictions or stipulations herein contained shall not be nor be construed to be a waiver of any subsequent or other breach of the same of any other covenant condition restriction or stipulation herein contained, nor shall any failure on the part of the Encumbrancee to require or exact full and complete compliance with any of the covenants conditions restrictions or stipulations herein contained be construed as in any manner changing the terms hereof or to prevent the Encumbrancee from enforcing the full provisions hereof.

7. Real Property Act

Subject as aforesaid the Encumbrancee shall be entitled to all the powers rights and remedies given to an Encumbrancee by the Real Property Act 1886 as amended from time to time.

8. Release

The Encumbrancer and its successors in title shall be successively released and discharged from the payment of the said rent charge and from the observance and performance of the covenants and other stipulations herein contained and implied forthwith upon ceasing to be registered as the proprietor of the said Land to the intent that the said rent charge and covenants and other stipulations shall be binding only upon the registered proprietor for the time being of the said Land.

DATED

EXECUTION

THE COMMON SEAL of COLES MYER PROPERTIES HOLDINGS LTD was affixed in the presence of:

.....
Director

.....
Name of Director

.....
Director or Secretary

.....
Name of Director or Secretary

THE COMMON SEAL of CITY OF SALISBURY was affixed in the presence of:

.....
Name /Position

.....
Name/Position



* NB: A penalty of up to \$2000 or 6 months imprisonment applies for improper witnessing.

LANDS TITLES REGISTRATION
OFFICE
SOUTH AUSTRALIA

MEMORANDUM OF ENCUMBRANCE

FORM APPROVED BY THE REGISTRAR-GENERAL

BELOW THIS LINE FOR AGENT USE ONLY

CERTIFIED CORRECT FOR THE PURPOSES
OF THE REAL PROPERTY ACT 1886

Solicitor/Registered Conveyancer

Series No.	Prefix
	E

BELOW THIS LINE FOR OFFICE USE ONLY

Date:		Time:	
FEES			
R.G.O.	POSTAGE	NEW C.T.	

Lodged by: FISHER JEFFRIES

AGENT CODE
FIJE

Correction to: SGIC Building
211 Victoria Square
ADELAIDE SA 5000

*TITLES, CROWN LEASES, DECLARATIONS
ETC. LODGED WITH INSTRUMENT (TO BE
FILLED IN BY PERSON LODGING)*

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....

Assessor

PLEASE ISSUE NEW CERTIFICATE(S) OF TITLE AS FOLLOWS

- 1.....
- 2.....
- 3.....

CORRECTION	PASSED

REGISTERED

Approval No. 189-2K

DELIVERY INSTRUCTIONS (Agent to Complete)
PLEASE DELIVER THE FOLLOWING ITEM(S) TO THE
UNDERMENTIONED AGENT(S)

ITEM(S)	AGENT CODE

\\SERVER1\FIDOC\SCOW 750\63408\SDI D0004 DOC .JF

EX-Confidential

Last Updated 13/07/2016

PR#: 22257
IntRef/RelatDoc#: [dataworks]

RISK MANAGEMENT PLAN

Salisbury City Centre Regional Community Hub - Risk & Opportunity Register

This Risk Management Plan is based on the [Risk Management Framework](#) which is companion to Australian Standard AS/NZS ISO 31000:2009.

No	Date Identified	Risk Categories	Risk Area (Risk Source)	Risk Identified	No Control Measures			Existing and Proposed Controls	After Control Measures			Monitoring		Immediate Action		Review Date
					Consequences	Likelihood	Risk Rating		Consequences	Likelihood	Risk Rating	How	Who	What	Who	
1	20/04/2015	Project Management	Project Management Failure resulting in cost, scope or time loss	\$\$ overruns. Time overruns or scope creep as a result of a failure in project management procedures and oversight	3	C	H	Engagement of an experienced project manager who can identify early signs of risk/failure and interject can further mitigate the risk for the project at delivery, but factors outside of control will never able to be full prevented via the Project Client Representative to protect Council's interests on the project following identification of a preferred site anticipated July 2016	2	B	L	The Project Client Representative as the key driver for the project will report through the Project Control Group providing high level oversight over the project and forming recommendations for consideration by Council.	Project Control Group	Procurement of the Project Client Representative to commence in June 2016, with engagement subject to Council Decisions to proceed with the project	Mgr Strategic Dvpt Projects with involvement of Executive Team and Procurement in the Evaluation and Selection	31/07/2016
2	20/04/2015	Legal Compliance	Stakeholder, Landowner and potential partnership negotiations	Project will likely represent a significant financial commitment from Council into new buildings and facility development. Critical to ensure legislative requirements are met and value for money is assured.	5	D	VH	As the order of costs prepared for the project to date anticipate expenditure for this project in excess of \$4 million, Council is required under Section 48 of the Local Government Act 1999 to obtain a prudential report. Preparation of this prudential report will be undertaken within the existing project budgets as part of the next phase of the project. Secondary to the prudential reporting requirements, staff will secure the services of a probity advisor to prepare a probity plan to guide negotiations and procurement processes that will be required to deliver this project to ensure all measures are put in place early in the project. Legal advice will also be obtained throughout the project.	2	C	M	A probity advisor will be engaged to oversee the project post selection of a preferred site and commitment to the project delivery, anticipated for engagement post a Council Decision in July 2016	Project Control Group	Norman Waterhouse involvement as a member of the Project Advisory Group through to July 2016 providing appropriate oversight over land acquisition negotiations.	General Manager City Development	31/07/2016

Regional Community Hub and Office Accommodation Project Risk Register.xlsx

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3	20/04/2015	Project Communication & Politics	Communication, Engagement & Advocacy	A lack of common understanding on what a community hub looks like in the Salisbury context leading to rumours and misinformation in the public arena.	3	C	H	The community hub project is highly complex and impacts on a broad range of stakeholders required to be engaged across this project, internal and external. Combined with the intention to position the project to secure grant funding and the importance in this process of an advocacy strategy and communication material is fundamental.	2	B	L	Communication on project leading up to announcement of budget in the 16/17 Annual Plan overseen and managed by Executive with the oversight of the Manager of Communications & Customer Relations until such time as a formal strategy can be put in place.	Executive and Manager Communications & Customer Relations	Communication, Engagement & Advocacy Strategy to be developed early in project as a key input to guide project following site selection to work closely with the Change Management Consultation	Project Client Representative with key inputs /involvement of Manager Communications & Customer Relations	31/07/2016
4	20/04/2015	Project Delivery	Extended Project Timelines	Extended timeline for delivery and financial scale of commitment required from Council will likely stretch across political cycles and could result in shifting scope and change in commitment	4	C	H	Regular update reporting (target quarterly) through Council endorsing key decisions to be implemented. Communication & Advocacy Strategy to be produced to build support and understanding of project in community and with external key stakeholders and funding source partners.	2	B	L	Development of a high level milestone program prepared to guide initial scoping and investigation phases of the project. Once a site is selected and project confirmed by delivery a detailed program will need to be developed and regularly monitored.	Manager Strategic Development Projects	Upon engagement first task of the Project Client Representative as part of developing a project procurement strategy will be the creation of a detail project program for regular ongoing monitoring.	Project Client Representative	30/09/2016
5	20/04/2015	Project Delivery	Strategic Decision Making	The project is delivered in a manner that doesn't maximise benefits to deliver the catalyst required to trigger the next phase of the Salisbury City Centre renewal agenda or leaves the old facilities as vacant holes or derelict buildings within the City Centre.	4	C	H	Changes to the configuration and form of services and location needs to be considered in the context of how the decisions can best trigger private investment potential, understanding retail/commercial demand so as not to create floor area that sits vacant, and ensure that any gaps created from disposal or demolition of facilities is considered in respect to impact on activation of the City Centre. A robust decision making framework is required to be put in place for the project for initial scoping.	2	B	L	Project Management Framework developed and key decision milestones identified in tandem with other connected projects in the Salisbury City Centre that influence decisions on this project to ensure we pick the right site.	Manager Strategic Development Projects via the External Advisory Group through to site selection	Alignment of project outcomes back to initial vision & endorsed shaping principles will be critical to ensure project creep doesn't risk project outcomes.	Project Client Representative and Project Control Group once established post 31 July 2016 subject to Council Decisions	30/08/2016

Regional Community Hub and Office Accommodation Project Risk Register.xlsx

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6	20/04/2015	Project Communication	Communication Engagement & Advocacy	Managing community expectation on project delivery components and timelines and built support in the community for the project to overcome any negative public opinion. Ensuring the project is clearly understood and communicated with a single agenda not clouded by other projects/levels of government agendas that take away from Council's investment and commitment in the project for our community	3	C	H	With a range of existing community facilities and users of existing community and civic assets within the City Centre it will be critical that expectations within the community are proactively managed.	2	B	L	Communication on project leading up to announcement of budget in the 16/17 Annual Plan overseen and managed by Executive with the oversight of the Manager of Communications & Customer Relations until such time as a formal strategy can be put in place.	Manager of Communications and Customer Relations	Communication, Engagement & Advocacy Strategy to be developed early in project as a key input to guide project following site selection to work closely with the Change Management Consultation	Project Client Representative with key inputs /involvement of Manager Communications & Customer Relations	30/09/2016
7	20/04/2015	Project Delivery	Strategic Decision Making	Lack of private investment interest in precincts of the city centre	3	B	M	Council's commitment to the community hub could support private investment either through freeing up land for private projects, triggering investment through a shared development, or a potential Council commitment to lease for certain uses underpinning private investment in a new building. A range of options will be considered to better understand these triggers and provide a clear picture to inform future Council decision on a preferred location, building form, and facility ownership.	2	B	L	Project Management Framework developed and key decision milestones identified in tandem with other connected projects in the Salisbury City Centre that influence decisions on this project	Project Control Group & Council as the Decision Making Authority	Regular review and update as part of regular reporting to inform strategic decision making by Council.	Manager Strategic Development Projects through to a site selection to be transitioned to the Project Client Representative	31/07/2016
8	20/04/2015	Project Management	Value for Money	Number of existing studies already completed over the Salisbury City Centre and management of consultant costs in scoping of the options. Further that the most cost effective long term solution for the asset ownership is not considered resulting in higher overall delivery and asset management costs.	4	D	H	Managing expenditure through the early scoping is being achieved through internal staff reviewing high level options in a flexible illustration format that allows efficient review of a large number of options.	2	B	L	Engagement of an External Advisory Group to work with a core group of internal staff managed in the early scoping phase by the Manager Strategic Development Projects to refine scope, establish order of cost budget and investigate site options without committing to architectural concept/elevation work until such time as a preferred site is selected and general scope of building is commonly understood.	Manager Strategic Development Projects and the External Advisory Group	Architectural work, and associated expenditure, will only be undertaken once a preferred option is identified forecast for July 201.	Manager Strategic Development Projects	31/07/2016 likely completion of this risk with presentation of final scope report for a site decision to PPC on 18th of July.
9	20/04/2015	Asset Management & Building Compliance	Code compliance of existing buildings	Short term building compliance demands for Council assets require identification of a preferred option by the end of 2015 to inform decisions on existing asset upgrades	5	C	H	The project program is designed to meet the critical timeline for Council to make a decision on the existing office building compliance issues while still allowing completion of a robust process to best position Council to deliver maximum benefit from the investment.	4	A	M	Project Management Framework developed and key decision milestones identified in tandem with other connected projects in the Salisbury City Centre that influence decisions on this project	Manager Strategic Development Projects	Regular review and update as part of regular reporting against program to achieve relocation prior to trigger of major works in the existing civic building.	Project Client Representative and Project Control Group once established post 31 July 2016 subject to Council Decisions	Ongoing

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10	22/12/2015	Project Delivery	Third Party delivering on commitment	Acquiring the required land from the DiMauro Group to deliver a Civic Square fronted solution.	5	C	H	Heads of Agreement mechanisms used to negotiate in good faith on the purchase of land required to implement one of the two sub listed sites with timelines secured to ensure a decision can be formed by Council on the likelihood of securing this site at a fair and reasonable price in July 2016.	4	B	M	Heads of Agreement and involvement of key External Advisory Group Members to guide process for land acquisition and negotiation frameworks	General Manager City Development	Negotiating final contract terms consistent with the Heads of Agreement on agreed purchase price and conditions	General Manager City Development	31/08/2016
11	22/12/2015	Project Management	Skill & Experience Gaps	Internal Council Staff don't have the commercial background and depth of experience in delivering this complexity of building in a project management approach that can ensure that we capture all opportunities.	3	E	H	Project Management approach and decision making documentation through Phase 1 clearly set out prior to starting with Council Elected Members. An external advisory group is proposed to be established involving legal, architectural, cost opinion, survey and community development experience to oversee the next phase of the project	4	B	M	External Advisory Group to transition to an independent Project Control Group coordination by the Project Client Representative from July 2016 subject to Council Decisions	General Manager City Development	Target individuals and approach to be undertaken for new membership by end of August 2016 with terms of reference including regular review of disciplines to best inform /protect Council's interests during the various stages of development.	General Manager City Development	30/08/2016
12	22/12/2015	Project Management	Change Management Strategy	This project as currently scoped will impact every Department of Council changing the way staff work, delivery services to the community within a new working environment based around ABW principles. This is a major cultural change that must be proactively approached early in architectural brief development. Equally the Community Hub project is proposing to relocate existing facility users and staff within the Library and potential JYC into a new facility, with existing buildings likely to be rationalised.	3	E	H	Change Management Strategy and creation of an Internal Working Group of key Managers/Team Leaders/ Coordinators to be established to facilitate involvement and proactive discussion and strategy around driving this change. If managed incorrectly momentum of staff resistance towards the proposed change can become a major barrier to the project.	2	B	L	Change Management Project Management Approach and Commitment to inform future project planning. This strategy will need to plan for the transition to a new working environment and expectations of staff.	General Manager People & Culture	Change Management Strategy Consultant Request for Proposal proposed for release to market as part of a select tender in July 2016.	General Manager City Development	15/07/2016
13	14/01/2016	Project Delivery	Disruption from Construction Activity	Major disruption will occur as a result of facility construction on the operation of not only existing Council facilities but the retail/commercial/transport role of the City Centre.	5	C	H	Upfront approach to mitigate disruption will need to be considered as part of the project management plan and proactive communication and engagement with affected stakeholders undertaken including the Traders Association.	3	B	M	Documented management plan to address this issue will be a required of the detailed design and stakeholders involved in reviewing final version adopted	Project Client Representative	Consider early engagement opportunities as part of the Communication, Engagement & Advisory Strategy Development how to proactively begin this conversation with the Salisbury Traders	Project Client Representative	31/12/2016

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14	14/01/2016	Project Delivery	Property Constraints identified that will impact on Feasibility of preferred option sites.	Property constraints are not identified early in the site investigations and the impact of this constraint could change preferred site and solution and impact project timelines.	3	C	H	Detailed property investigations to be completed to investigate easements, titles, carparking memorials, caveats, leases that could impact on availability of land for redevelopment.	3	B	M	Involvement of the External Advisory Group and any other additional consultants critical during land negotiations phase.	General Manager City Development	Key inputs have been incorporated into proposed acquisition land division plan and conditions of contract by end of August 2016 to maximise building envelope and mitigate risks from existing infrastructure.	General Manager City Development	30/08/2016
15	19/04/2016	Project Design	Architectural & Interior Design Brief	Risk that the new building doesn't capture Salisbury's history and strengths in its architectural design and interior fit-out and we lose this connection to the achievements community of the past or the new building is considered to offer inferior services and experience from the current facilities	3	C	H	A refined quality architectural brief that is tested and reviewed by both the Internal Working Group and the External Advisory Group will be prepared to inform engagement of the architectural team. Once engaged regular/ongoing design check workshops and procedures will be in place as designs are refined to ensure expectations and agreed vision and principles are being met.	2	B	L	A design review check item that will need to be evaluated continually across the project lifecycle.	Project Client Representative and Project Control Group	Ensure that the order of costs include allowances for costs to deliver both within the building fit-out and external streetscape / civic upgrade allowances.	Manager Strategic Development Projects and Rider Levett Bucknall as the early project Quantity Surveyor	31/07/2016
16	19/04/2016	Project Delivery	Failure to ensure organisational business continuity in the transition and we leave planning for the transition too late in the process	The transition process into a new facility is not well planned and executed and the services and/or data information transfer fails resulting in major disruption and loss of critical information.	4	C	H	The change management strategy will need to identify the early investigations that will need to be undertaken and timing for completion to ensure a smooth transition process.	2	B	L	Change Management Strategy to include consideration of the IT strategy and include consideration of the relocation program and testing for inclusion in the broader project program to be used to monitor the capital construction element of the project.	Manager People & Culture	Outcomes of the Change Management Strategy to be aligned as a critical input to the broader project capital construction.	Project Client Representative	30/09/2016
17	19/04/2016	Project Design/Scoping	Project Scoping & Partnership	Given the tight project timelines for delivery risk that opportunities and timeframe to explore new ideas and greater add benefits are not explored and we don't deliver the ultimate outcome as would have otherwise have been possible	4	D	H	The project timelines are tight but the process for decision making and engagement with stakeholders early has allowed exploration of opportunities. A decision will be required on whether the project does want to formally explore partnership opportunities through an EO1 process and/or potential for a lease building construction within the next few months.	3	B	M	Ongoing consideration and exploration of opportunities through to completion of concept design with opportunities included via inclusion of a 400m2 allowance for lease space within the initial building footprint and consideration of lease model NPV analysis and site location options.	External Advisory Group	Ensure NPV Analysis and building scope considered by Council in July includes this information. Further opportunities to be explored by Project Client Representative once engaged.	Manager Strategic Development Projects and Rider Levett Bucknall as the early project Quantity Surveyor	30/07/2016
18	19/04/2016	Project Design	Facility Capacity	The new community hub facility proves to be so popular with the community that capacity and size of facility built is questioned by the community and other facilities are underutilised.	2	E	H	This is a common situation that occurs for new projects while they are new and shiny within the first few months of opening (the Aldi Principle). This could be managed through a combination of programming, communication strategy and short term management of parking and operating hours.	2	B	L	Considered as part of the change management and communication strategy and upfront planning put in place as part of facility transition to address plus inclusion of an expansion capacity within initial building footprint that can be leased until needed.	Project Client Representative and Project Control Group	Ensure capacity of expansion is one of the factors considered as part of site selection in July 2016 both in respect to site and schedule of areas.	Manager Strategic Development Projects & Hassell Studios	31/07/2016

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19	19/04/2016	Project Design Scoping	Facility Desing & Usability.	That we don't learn leasson's from delivery of other similar projects and repeat mistakes of others	4	C	H	A process of case study review and discussion with parties that have recently constructed similar facilities along with the early establishment and skill set installed on the Advisory Group creates a commitment to this appraoach to project refinement and investigation	2	B	L	Ongoing discussion about case study and facility visits by members of the Internal Working Group	Internal Working Group	Ongoing agenda for both desktop and physical visits to comparble facilities across project design stage commenced in early 2016, learnings being captured through the Internal Working Group	Manager Strategic Development Projects through to a site selection to be transitioned to the Project Client Representative to include Chanage Management Consultant	30.08.2016
20	19/04/2016	Project Delivery	Contractor Failure	Standard risk in all construction delivery projects, that is managed via the contract terms and conditions and LD conditions and insurances placed into the contract.	3	B	M	Engagement of an experienced project manager who can identify early signs of risk/failure and interject can further mitigate the risk for the project at delivery, but factors outside of control will never able to be full prevented.	2	B	L	Project Manager to be engaged early in project and tasked with full responsibility to oversee documentation control and progress on site reporting through the Project Sponsor	General Manager City Development	Engagement of a Project Client Representative post site selection to drive project procurement, design and delivery protecting Council's interests.	General Manager City Development	30.08.2016 to have the relevant consultant on board subject to Council decisions.
21	19/04/2016	Project Management	Resource Capacity within Organisation	That we don't allocate the necessary resources/ head space thinking to this project to ensure that we get the best outcome and mitigate the identified risks for the value of the project. While other projects needs to continue to be delivered, consideration to providing a separate team able to put full attention to the project at key points may be critical to its success.	2	D	M	Strategic thinking is difficult to prioritise over immediate issues, the establishment of an Internal Working Group with key staff members to meet regularly to discuss broader project direction will be important, along with the preparation of strategies that provide the organisation the inforamtion from which to form a clear view of the resources that will need to be allocated to deliver the required outcome prior to commencement.	2	B	L	Internal Working Group early establishment to faciliate regular discussions within a structured forum and early strategy work to scope up full extent of project needs both in respect to communication/engagement & change management that will have an internal resource implication dependent on the selected delivery strategy	Executive Team	Internal Working Group in place, ongoing role for the immediate term to faciliate discussion in the form of prepared agenda and build project understanding and a group of change champions back into organisation.	Manager Strategic Development Projects through to a site selection to transition in responsibility to the Project Client Representative with ongoing involvement support required by Executive, individual involvement and format to be reviewed by the PCR.	30.08.2016
22	19/04/2016	Project Design	Lack of flexibility embedded within building floor plate and internal design	This new building is a once in a generation investment and the building, internal layout and service connections needs to be designed with an inherent flexibility to meet current work model and future work preferences that we can't even comprehend in a building that will have an asset life of over 40 years.	4	C	H	Quality Architectural Brief needs to be developed to incorporate a clear vision for the facility, and think through not just the service and facilities but how they work together, how they are serviced and the "feel" we want in the office/community hub environment to allow the architect to respond with a clear picture of what the City of Salisbury are looking for in a building not a building that could fit anyone.	2	C	M	Immediate need for a vision/principles for office design to be worked through with Exec and the Internal Working Group to set some of the "non-negotiables" for the architectural brief to a similar level to that produced with the Elected Members for the Community Hub component at the start of the project.	Manager People & Culture with involvement by the Internal Working Group	Architectural brief will be prepared through a robust process of engagement across the organisation.	Project Client Represenative to scope a workshop approach with the Change Management Consultant at multiple levels of Council prior to finalisation of a brief to secure this clarity of understanding	30/08/2016

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23	19/04/2016		"Act of God"	Meant to cover all items from extreme weather and external inputs that are completely out of the control of the project and could not be envisaged.	4	A	M	Insurances within contracts to manage risks that cannot be mitigated	2	A	L	Appropriate level of contract terms and insurances will be put in place to cover Council financial exposure risk but risk of lost time cannot be protected.	Project Client Representative	To be considered as part of the procurement approach and contract terms and conditions to mitigate risks to Council and project timelines.	Project Client Representative	30/09/2016
24	19/04/2016	Value Add	Local job and training opportunities are not fully captured and broader economic development opportunities are missed.	No clear agenda is set for local job creation and this is not a procurement methodology adopted early in the project within a structure methodology that can balance the need to achieve broader economic objectives while still returning value for money to Council. This could also lead to negative perception / political fallout from the project.	2	C	M	A procurement strategy for the project and upfront determination on how local employment and training will be implemented as part of the building design and construction should be put in place and communicated to all tender parties and the broader community.	1	A	L	Existing Council local employment approach to procurement to be reviewed in light of expanding the potential returns as a result of this quantum of procurement.	Project Client Representative and Manager Procurement	Early procurement strategy to address this opportunity should be explored as part of an overall Acquisition Plan for the project prior to release of major value project works at the architectural design stage.	Project Client Representative	30/09/2016
25	19/04/2016	Organisational Development	Internal culture	A culture of have and have not's is created between staff who work within the new facilities in the City Centre and the staff based at alternate locations who may not have access to the same quality of work environment and services.	2	E	H	This will need to be addressed in the communication and change management strategy and also aligned with similar review of facilities at the Depot and other sites. Opportunities for all staff to rotate through the new office, subject to resource and job requirements could be facilitated to make everyone feel a part of the new facility through an increased capacity for hot desking arrangements	2	B	L	Change Management Strategy developed early to build staff understanding and engagement with consideration of trial work zones within the existing civic footprint to inform key fit-out decisions.	Manager People & Culture and Project Client Representative	To be picked up as part of the Change Management Strategy brief when put out to Select Tender in July 2016	Manager People & Culture	31/07/2016
26	19/04/2016	Work Place Injury	Construction Risk	Risk of Work Place Injuries are real on any work site, but can be fatal within a construction environment.	5	C	H	The engagement of a contractor who has a high demonstrated standard in injury prevention and protocols in place will be part of the tender evaluation criteria established.	5	A	H	Standard project management of construction project protocols as part of procurement engagement to be put in place and monitored for compliance by the Project Manager throughout construction	Project Client Representative & Principal Contractor	Part of procurement and contract process for the construction contractor	Project Client Representative	1/07/2017
27	19/04/2016	Value for Money	A range of development options and models are considered to ensure NPV and long term costs are appropriately considered.	A thorough consideration is not undertaken of the wide range of ownership, development models are considered as part of confirming a preferred location and facility ownership model.	3	B	M	Undertaking NPV calculations on a set of assumptions to provide the best possible information to Council from which to inform a decision on a preferred site, delivery model and building ownership arrangements should be provided as part of the Business Case for the facility development	2	A	L	A QS to be engaged to run a set of models based on a refined site model, presented back through the Advisory Group for review and ultimate presentation to Council to inform a decision picking up all of life cost implications	General Manager City Development	Updated Order of Costs and NPV Analysis to be run and provided as part of the site selection report to be presented to PPC in July 2016	Manager Strategic Development Projects and Rider Levett Bucknall as the early project Quantity Surveyor	18/07/2016

No	Date Identified	Risk Categories	Risk Area (Risk Source)	Risk Identified	No Control Measures			Existing and Proposed Controls	After Control Measures			Monitoring		Immediate Action		Review Date
					Consequences	Likelihood	Risk Rating		Consequences	Likelihood	Risk Rating	How	Who	What	Who	
28	19/04/2016	Project Management	Lack of systems in place to efficiently coordinate internal and external resources through a clear project management communication channel to share information efficiently.	Risk of confusion in documentat control, project timelines and lack of communication and information between the members of the project team as a result of no central system being in place to coordinate internal/external consultants resulting in poor project managemetn outcomes that could reflect in cost overruns	3	E	H	Coodination between all external consultants and internal staff members is fundamental to project success. Ensuring the right IT system is in place to make this convenient and easy early in the project will be required, reviewing opportunities for cloud based and other solutions to overcome this issue and ensure document/version control for documentation right through to the end of construction.	2	A	L	Cloud based project management tools exist and are widely utilised in the construction industry to overcome this risk. Finding the correct platform that can achieve this coodination while ensuring document control meets Council record keeping requirements should be put in place early in the projects lifecycle	Manager Business Systems and Solutions and Project Client Representative/	To be discussed and agreed with engaged Project Client Representative to select a system to be mandated for use by design and construction contractors/consultant s in a format that is aligned with Council's future internal ICT approach.	Manager Business Systems and Solutions and Project Client Representative.	30/058/2016

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CITY OF SALISBURY SALISBURY COMMUNITY HUB CONCEPT DESIGN ANALYSIS



City of Salisbury
08 July 2016

HASSELL

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00 Introduction

This document has been prepared by HASSELL to provide guidance in the selection of a preferred site to accommodate the future Salisbury Community Hub for the City of Salisbury.

The options investigated in this report are tested on the two shortlisted sites as agreed by the Council PPC in September 2015, namely:

- _Site Option 04: Sexton Carpark
- _Site Option 06: Civic Square with DiMauro Land Acquisition

The Community Hub will bring together Civic, Community, Learning and Administrative services under one roof, creating a 'one stop shop' for Council staff, citizens and visitors alike. The site selection and concept development of the Community Hub layout is therefore pivotal to ensure the building and its immediate environs are inviting, inclusive, vibrant, engaging, safe, sustainable and accessible for all.

The research findings and studies included with this report were completed from May to June 2016. Throughout this period, concept design options and area assumptions were progressively presented to the City of Salisbury's Advisory Board and Executive Committee. The resultant feedback and direction from these groups allowed HASSELL to detail preferred options for each site, culminating in a preferred option for one site to inform the next phase of the Community Hub project.

Background information utilised in the preparation of this report was provided by the City of Salisbury. Some of the key documents referenced include:

- _Elton Consulting 'Salisbury City Centre: Regional Community Hub Options Analysis'
- _WAX Design 'Urban Design Framework and Streetscape Guidelines'
- _Alexander Symonds 'Salisbury City Centre Site Survey'
- _Arborman 'Tree Report and Survey'
- _Salisbury City Centre 'Methodist Cemetery' memorandum
- _City of Salisbury 'Community Hub Schedule of Areas' (initial report)

The Salisbury Community Hub development will serve as a catalyst for future development and growth of the City Centre, to reinforce the City of Salisbury as 'the Living City'.

01 Shortlisted options



01 Shortlisted options

The preferred options and associated sub-options prepared for each site are the product of various floor planning and stacking explorations.

All option studies presented in this report take into consideration the opportunities each site has to offer (refer Site Analysis in Section 02 of this report) and work to a total gross building area of approximately 6,675sqm (refer Area analysis in Section 04 of this report).

Following the preliminary studies prepared for each site, preferred layouts along with sub-options were identified by the City of Salisbury. The following pages of the report detail these with a recommendation for the preferred site and layout.

Preferred Option

Each site has its own opportunities and constraints, but following detailed analysis which factored site considerations, land available to develop, cost and relocations from existing buildings into a new building, it is clear that the opportunities afforded by the Civic Square site far outweigh those of the Sexton Carpark site. This conclusion is premised on the assumption that the DiMauro site adjacent the Civic Square is acquired.

Detailed reporting can be found for both sites in the following pages, however key points regarding the positive aspects are as follows:

- _ The Civic Square site development aligns with the original vision for the City Centre structure
- _ The Civic Square site footprint is 500sqm larger than Sexton Carpark site footprint. Most Civic related functions can therefore be placed at ground level which is highly desirable
- _ The Public outdoor space immediately adjacent Civic Square

site can engage directly with the Community Hub (Town Square and cemetery). This will prove difficult with Sexton Carpark site which will rely on the installation of a shared pedestrian vehicular zone on James Street due to lack of adjacency to public outdoor space

- _ Visibility, address and accessibility is more favourable on the Civic Square site
- _ Passive security of the Town Square is enhanced with the Civic Square site due to increased pedestrian activity
- _ The Sexton Carpark site can be retained as a future development site for the Council or sale

Based on the above considerations, our recommendation is that the Civic Square site (with DiMauro site acquired) be adopted for accommodating the future City of Salisbury Community Hub development.

01 Shortlisted options

Preferred Option Civic Square site (with DiMauro site acquired)

The preferred option assumes the DiMauro site has been purchased to allow to extend the site area to John Street. The overall site area is approximately 500sqm larger in area than that available for a stand-alone building on the Sexton carpark site.

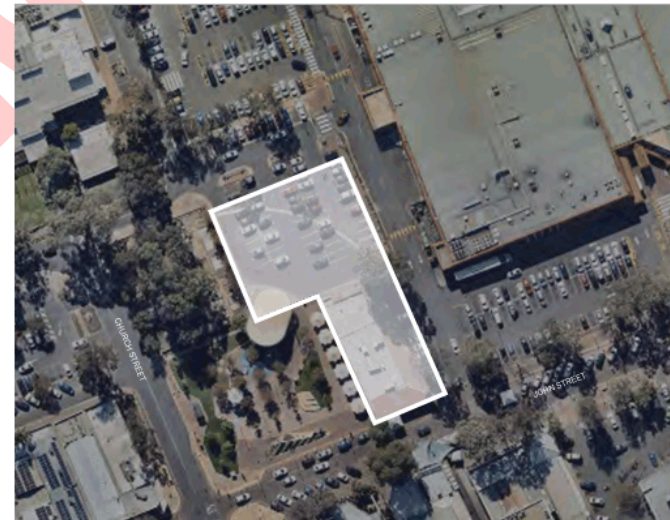
The sites positioning will naturally allow the building to read as a focal point due to its scale and visibility across the Town Square from the intersection of the John and Church Streets. The building will also be highly visible from a northern approach once the Church Street extension is implemented.

The Civic Square site has ample opportunity to connect with the public realm via the Town Square. The Town Square will always be used as a recreation and gathering space but can also be utilised as a support space for the Community Hub when large scale events emanate from the

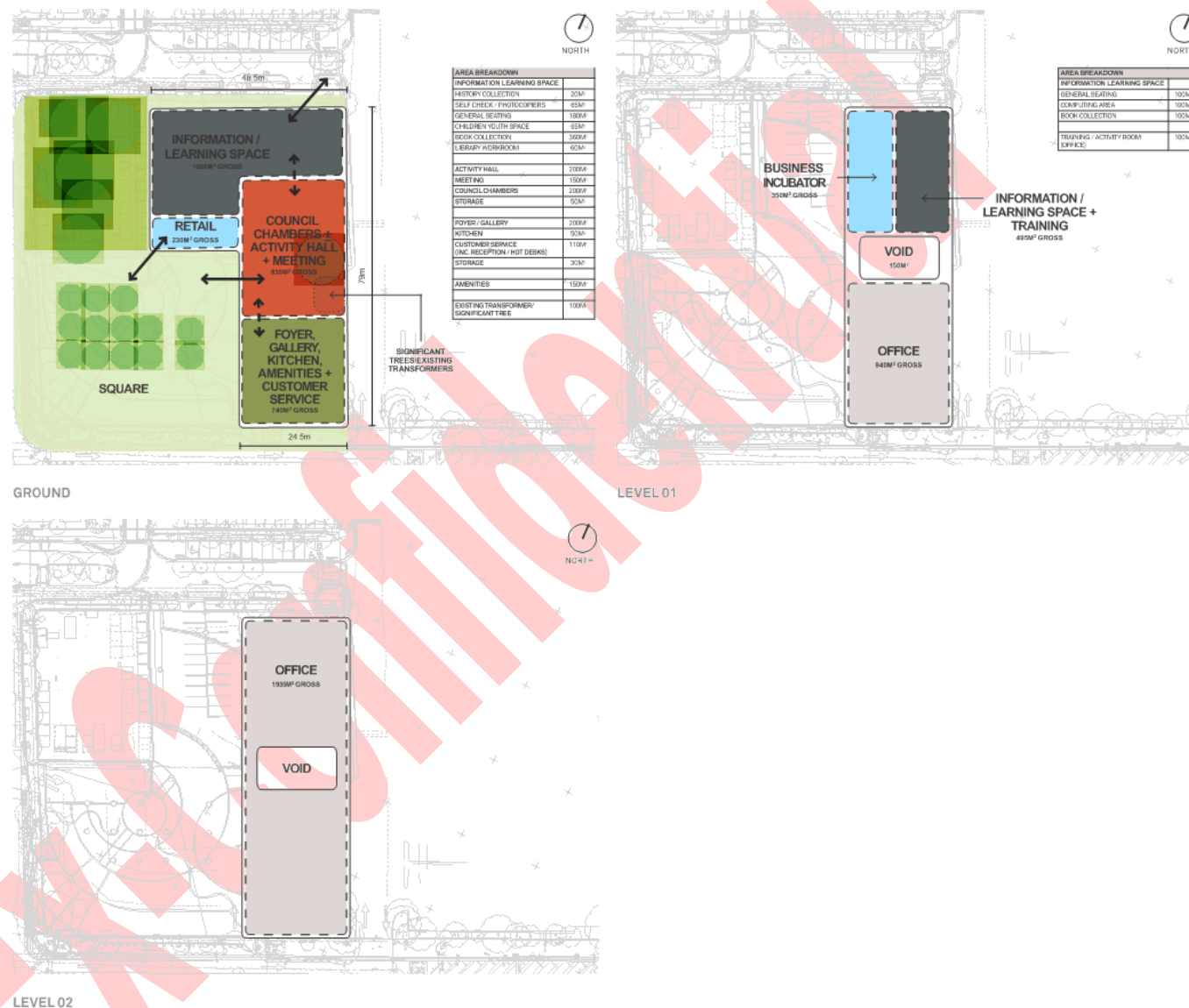
the building's interior to the exterior. An increase in pedestrian traffic passing through the square during the day will add to the vibrancy and enhance passive security of the site.

The Civic Square site has significant frontage to the Town Square with secondary frontages to John Street and James Street. This provides excellent opportunities for locating retail and customer service space anywhere along the frontage due to ease of accessibility and visibility.

Further consideration will be required in the vicinity of the existing transformer and significant trees. While the cost of relocating the transformers is significant, retaining these in their current location could prove detrimental as they will constrain the floor planning as well as create fire rating, access and maintenance issues.



SITE EXTENT



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01 Shortlisted options

Preferred Option: Sexton Carpark site (Stand alone Building)

The Sexton Carpark site area is approximately 500sqm smaller when compared to the Civic Square site, limiting the ability for the ground floor to accommodate the Civic and Community space requirements outlined in the functional brief.

Locating the Council Chambers and Activity Hall at ground level will make both spaces easily accessible to the general public and provide ample room to host events. When Council is in session, a direct insight of the democratic process taking place will be visible to passers by.

Collocating the Council Chambers and Activity Hall at ground level will require the Information and Learning space to be split across two levels due to area constraints. This may be considered undesirable from a functional perspective.

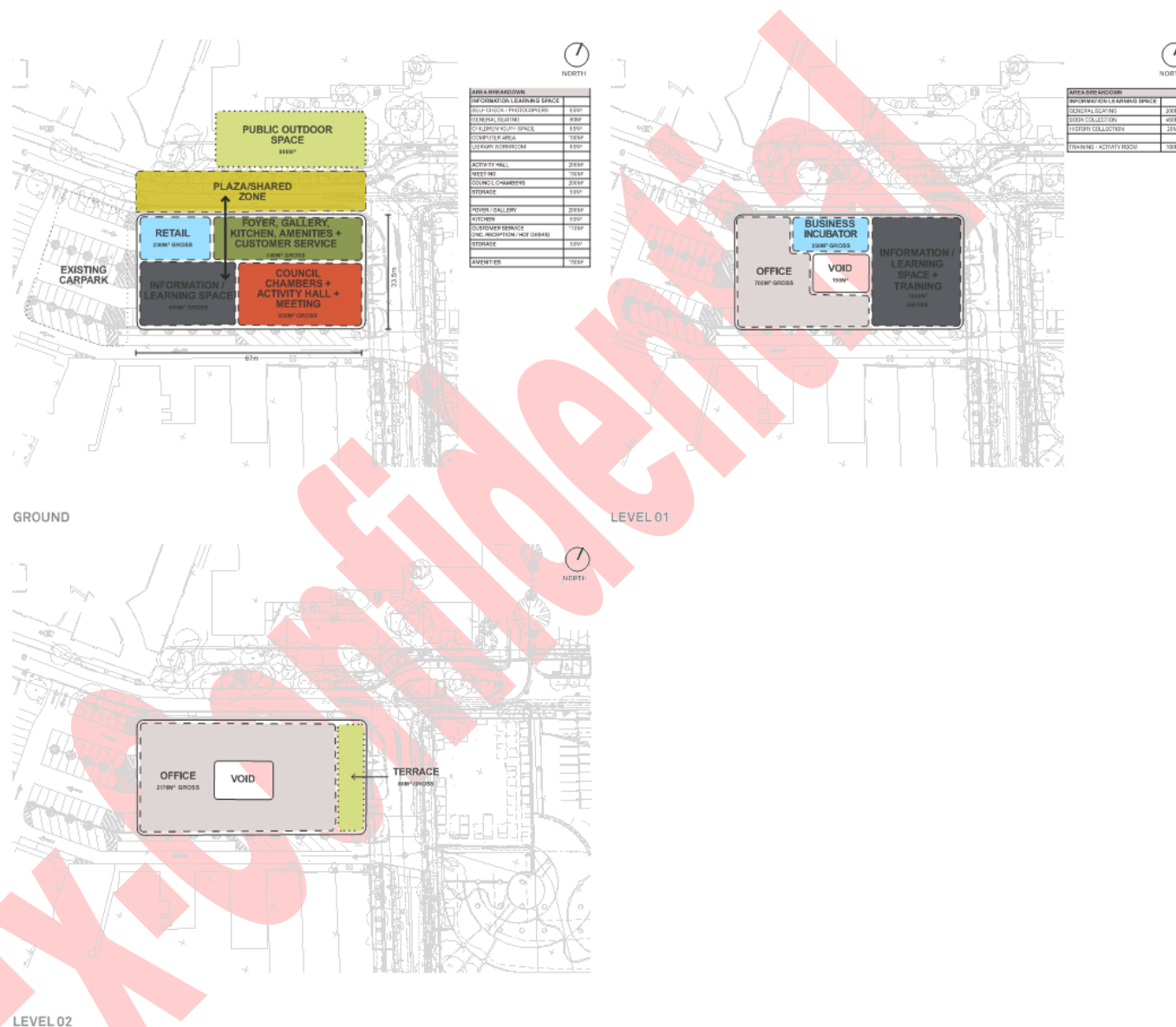
A key opportunity presented by this

site is the potential to redevelop James Street as a vehicular-pedestrian shared zone, linking with a future public outdoor space (approx 900sqm) on the former Council Municipal Offices and Chambers site. The shared zone could be utilised for community events or weekend markets. The creation of the shared zone would however be subject to the implementation of the Church Street extension given James Street is used heavily by buses departing or entering the Salisbury Interchange.

From an address and visibility perspective, when entering from John Street or Park Terrace, the building will be hard to identify as the site is shielded by an existing building located at the north west corner of John and Church Streets.



SITE EXTENT



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01 Shortlisted options

Sub Option 01: Sexton Carpark site (Two Separate Buildings: Community Hub and Office in Leased Building)

This option proposes the creation of two buildings purpose built for Office/Administrative use and Civic/Community use.

A key opportunity with this option is the potential for a private investment partnership for the construction and leasing of the office /administrative building. This approach could be a catalyst for future private investor development in the City Centre, particularly along the future Church Street extension.

The building height of the Office/ Administrative building is in line with the proposed Urban Design Framework report prepared by WAX Design. The building will be identifiable upon approach from

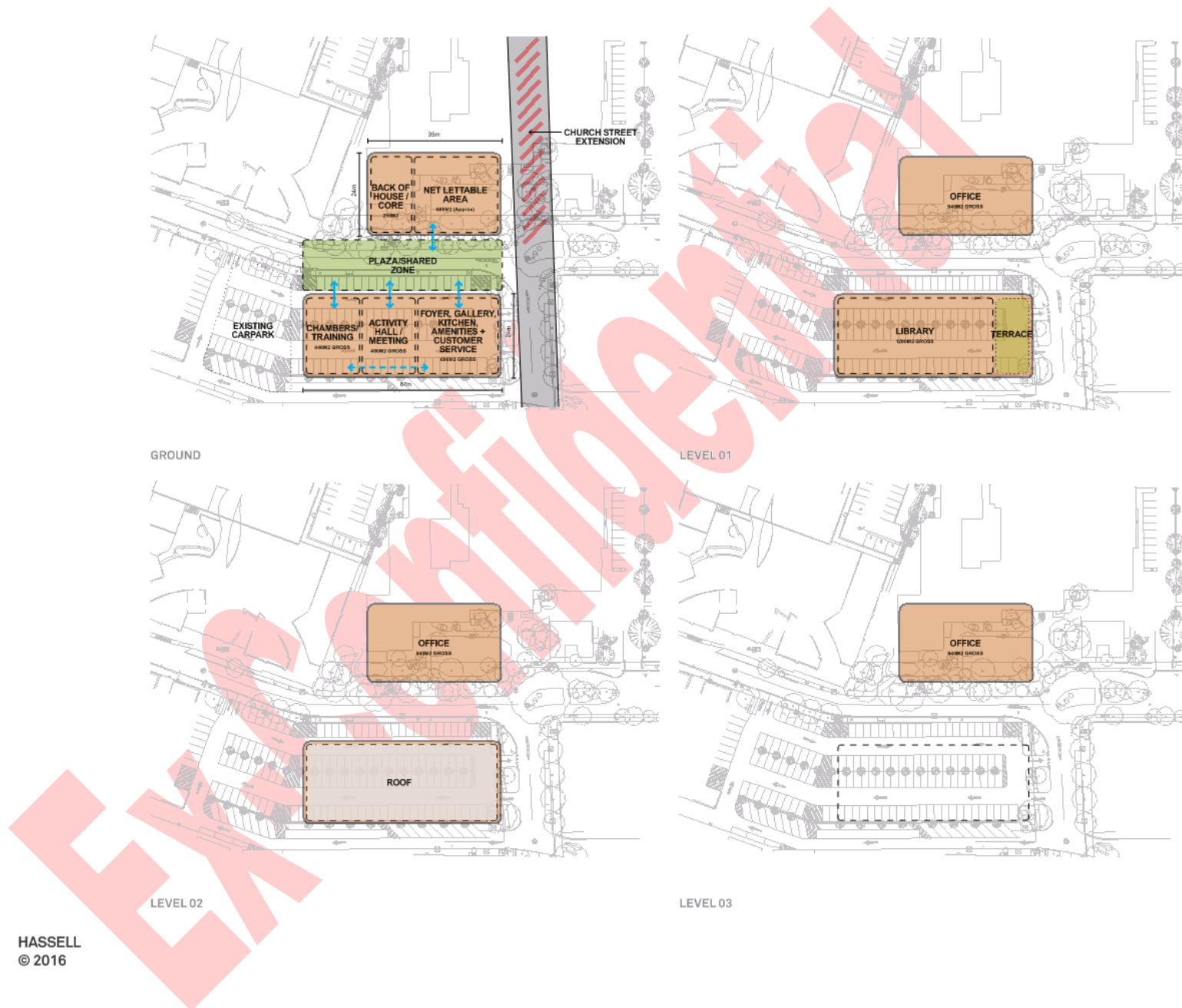
most road networks leading into the City Centre.

As this option separates Civic staff and Office staff, the need to double up common amenities across the buildings will result. Ultimately, this will lead to ongoing operational costs.

The two building option will also prove challenging from a logistical perspective as the existing Council Municipal Offices and Chambers will need to be demolished to make way for the new Office/Administrative building. Consequently, staff will need to be decanted to a temporary facility prior to demolition of the existing building and remain there until construction of the new building reaches practical completion.



SITE EXTENT



01 Shortlisted options

Sub Option 02: Sexton Carpark site (Reusing part existing Council Municipal Offices and Chambers for Civic use and new Office/Administration Building)

One of the qualities of the existing Council Municipal Offices and Chambers is the character of its architecture and internal planning. This option considers retaining part of the existing Council's building to embrace its past and where it has come from. The open floor plate within makes it suitable to accommodate the Civic and Community requirements for the development including Activity Hall, Chambers, Meeting Spaces, Foyer/ Gallery space and Customer Service Centre.

With this option, significant costs are likely as a result of the need to

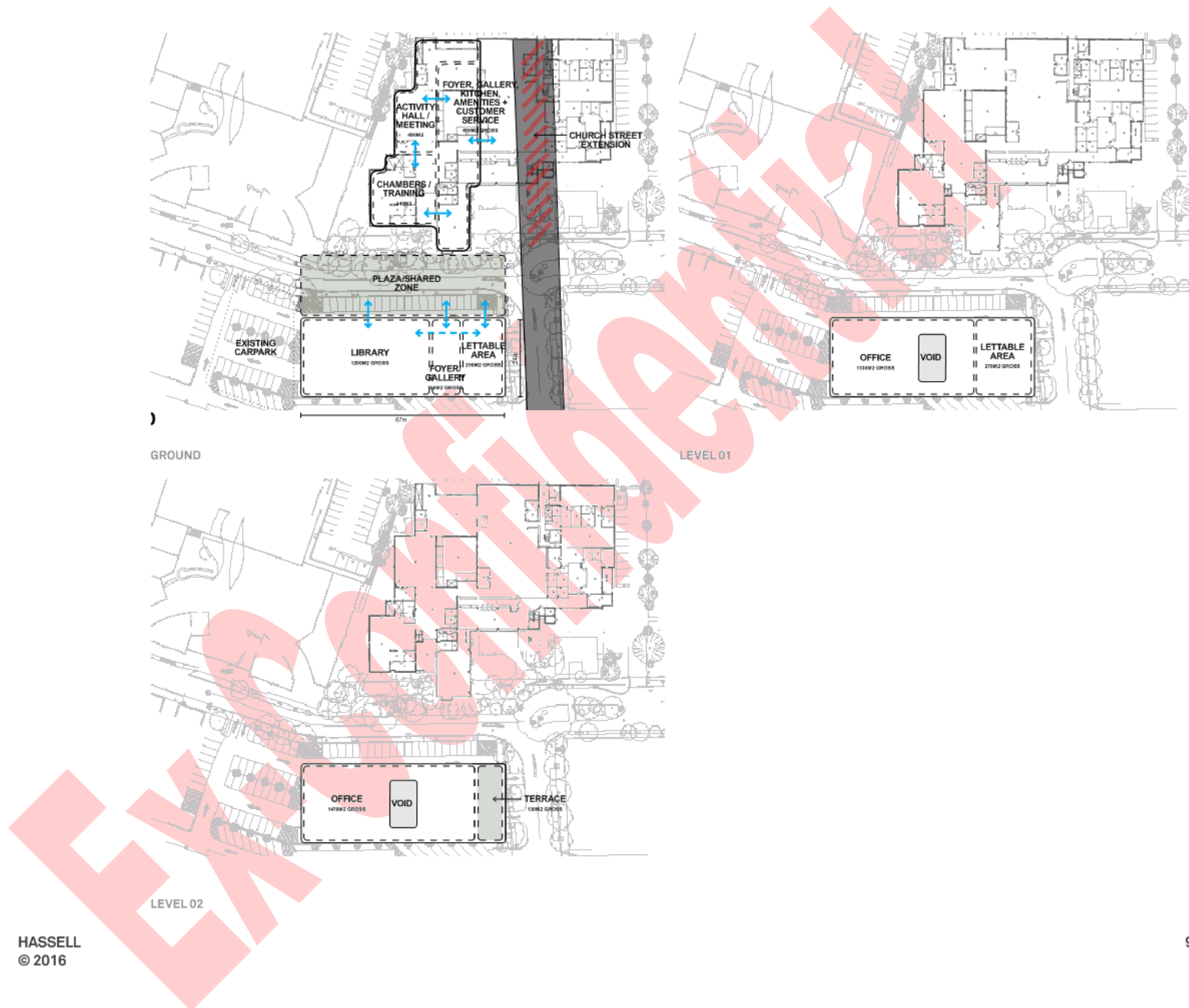
upgrade the building to meet current DDA standards and National Construction Code requirements. Demolition too will likely uncover hazardous materials (eg. asbestos) and making good the eastern facade. will also prove challenging as to not compromise the architectural character of the building.

As with Sexton Carpark Sub-Option 01, the two building option separates civic and office staff, will double up common amenities but importantly be a challenge logistically as the existing Council Municipal Offices and Chambers modifications will require the Civic component to relocate temporarily until building modifications are complete. This will prove disruptive to customer services.

Retaining and retrofitting part of the existing Council Municipal Offices and Chambers building also nullifies future development opportunities on this site and will likely reduce its value.



SITE EXTENT



01 Shortlisted options

Sub Option 03: Civic Square site (utilising Council Owned Land only)

This option is based upon the inability to secure the DiMauro site south of the Council owned site.

To accommodate most Civic and Community spaces at ground level, the building must extend into the title to the north. This will result in the closure of James Street at its eastern end which is highly undesirable as this will disrupt through traffic commuting between James Street and Parabanks shopping centre.

Address and engagement of the site with the Town Square is heavily compromised due to the building being sandwiched between the cemetery and building on the DiMauro site.

The DiMauro building in its current state will detract from the new Civic Square building given its lack of architectural character and importantly the fact that it has no

direct connection with the Town Square.

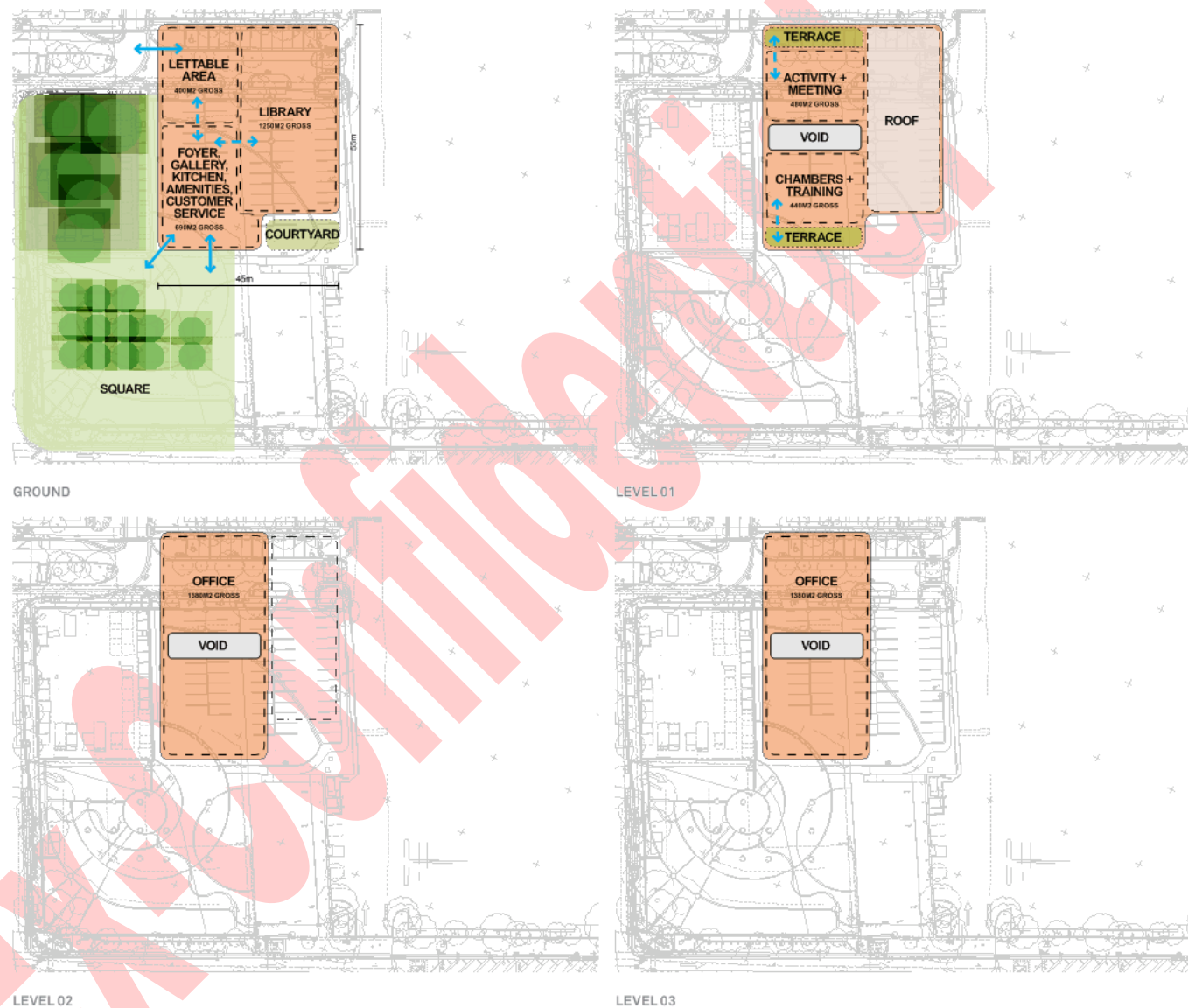
The site has little ability to expand in the future given that existing roadways flank the site's northern and eastern edges while existing built form abuts the western and southern boundaries.

An existing transformer and significant tree are also investigated in this option. This proposal appears best suited to retaining these elements in their current location and considers how these could be included within the fabric of the new building.

The upper level floorplates are set back to improve floor planning efficiency and to allow natural light to penetrate deep into the interior. This set back however will expose much of the ground level roof which will provide an unpleasant outlook for occupants when viewing east.



SITE EXTENT



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11

Site analysis



02 Site analysis

The two shortlisted sites are positioned directly opposite one another in the heart of the City Centre, easily accessible for pedestrians, cyclists and vehicular traffic.

The following assessment identifies the qualities of each site in response to:

- _ Access and site links
- _ Public outdoor space
- _ Potential site massing
- _ Vistas and visual wayfinding
- _ Street address
- _ Active Edges

The site analysis is completed on the assumption that the existing Council Municipal Offices and Chambers are demolished to make way for the extension of Church Street.

The Sites (Fig. 01)

Sexton Carpark Site

Approximate site area: 2340sqm

Location: corner James Street and Church Street

Civic Square Site

Approximate site area: 2800sqm

Location: corner John Street and Church Street with Town Square and cemetery abutting.

*Site area assumes City of Salisbury acquire existing DiMauro property addressing John Street.

Access and Site Links (Fig. 02)

On the assumption that the Church Street extension is realised, both sites will be easily identifiable and accessible to incoming traffic from the north. Both sites are serviced by several roadways primarily James Street, Church Street and John Street which ultimately feed into surrounding car parks.

Pedestrian access to both sites is good, due to arcades and thoroughfares connecting John Street with each site. There is uninterrupted pedestrian access between Parabanks shopping centre and the Civic Square site, however Church street does create a barrier to

the Sexton Car Park/Parabanks shopping centre connection.

Public Outdoor Space (Fig. 03):

The Civic Square site has the ability to utilise the adjacent Town Square for civic engagements, weekend markets and community events. At all other times, it remains a space for socialising, recreation and gathering. The adjacency of the cemetery also affords the opportunity to connect and engage directly with the City of Salisbury's history as several pioneers instrumental in the development of Salisbury rest here. The Sexton Carpark site is bound on all sides by roadways and is unable to connect directly with public outdoor space. To realise an adjacent outdoor space requires the creation of a shared zone for pedestrians and vehicles, possibly on James Street to link with the former Council Chambers and Municipal Offices site.

Potential Site Massing(Fig 04):

In line with the Urban Design Framework report prepared by WAX Design, each site has the ability to be developed to 3-4 levels in height. This will reinforce each buildings legibility in terms of identification and address but humble enough in scale to

minimise overshadowing. Given each site has long and straight boundaries, the impact of a continuous hard edge abutting the surrounding footpath network will need to be considered in the new building envelope.

Vistas and Visual Wayfinding (Fig 05):

Both sites are highly visible from a pedestrian perspective. The primary vehicular route through the city centre precinct is via John Street, a one-way road from west to east. The Civic Square site will be clearly identifiable upon approach from John Street, however the Sexton Carpark site is screened from view by an existing building at the corner of John Street and Church Street. Both sites will be clearly identifiable from the north on the assumption the Church Street extension proceeds.

Street Address (Fig 06):

The Civic Square site is linear in form, setback from John and Church Streets. It will be prominent on all faces, particularly the western and southern faces where it addresses the John Street retail precinct and the public domain of the Town Square and cemetery. The Sexton Carpark site will have a strong

prominent address to Church Street. The address to James Street is questionable: James Street is currently a feeder road for buses, connecting Church Street with the Interchange. The dynamic of James Street will change with the implementation of the Church Street extension. Should a shared zone be adopted on James Street (refer Public Outdoor Space), the site would become more prominent. The Sexton Carpark site would also need to consider its address to James Lane as several retailers face and trade into the lane accordingly.

Active edges (Fig 07):

The Civic Square site has strong active edges along its north, west and south faces, all located adjacent roadways, footpaths or public outdoor space. The eastern face would be ideal for 'back of house' for a development given goods delivery into Parabanks shopping centre occurs directly opposite. The Sexton Carpark site has strong active edges along its northern and eastern faces and may be suitable for public access or retail trading after hours, given its adjacency to the nearby restaurants and cinemas at the western end of James Street.

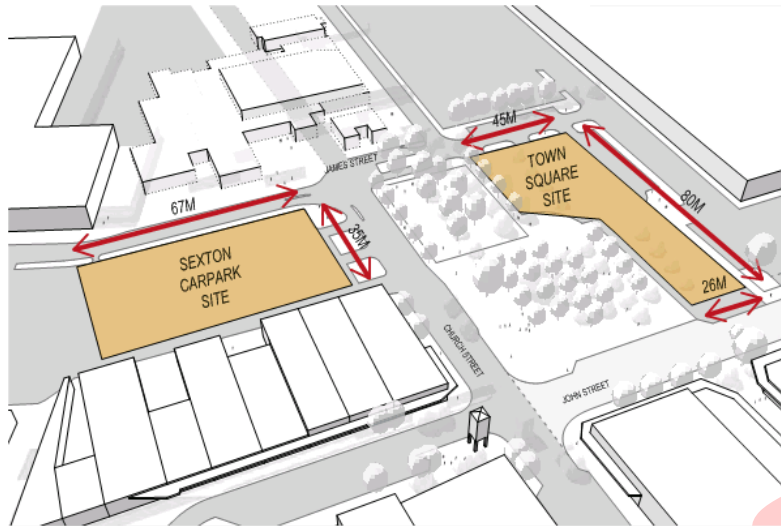


Figure 01: THE SITES

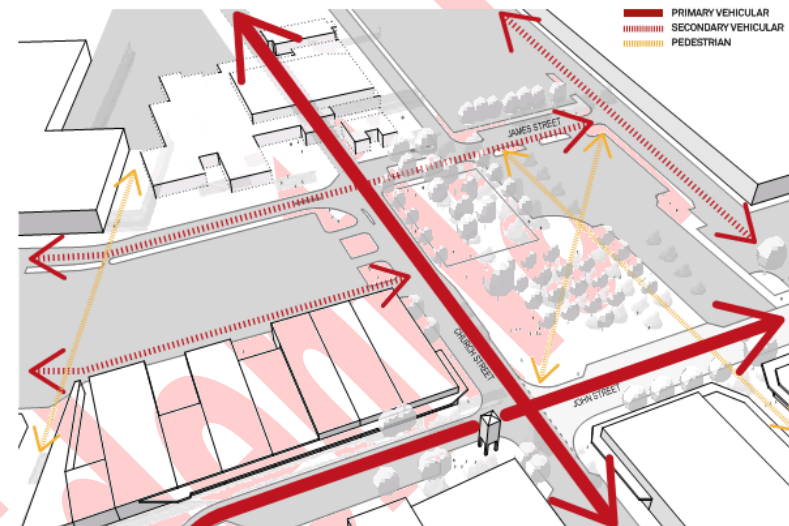


Figure 02: ACCESS AND SITE LINKS

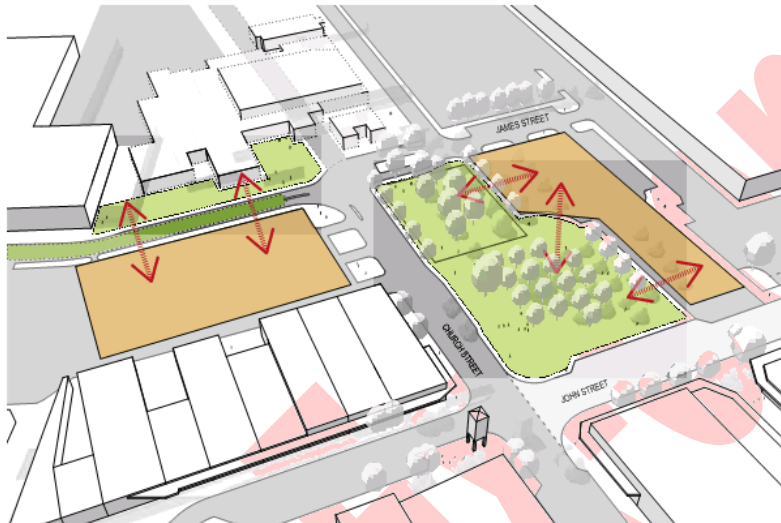


Figure 03: PUBLIC OUTDOOR SPACE



Figure 04: POTENTIAL SITE MASSING

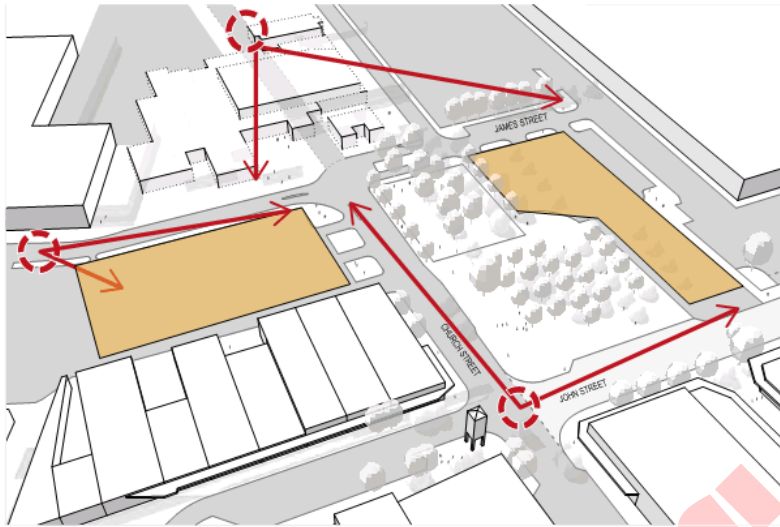


Figure 05: VISTAS AND VISUAL WAYFINDING

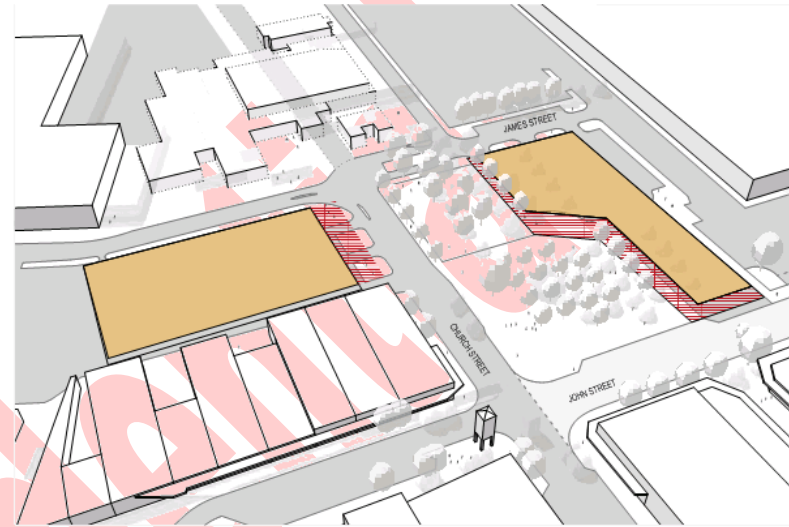


Figure 06: STREET ADDRESS

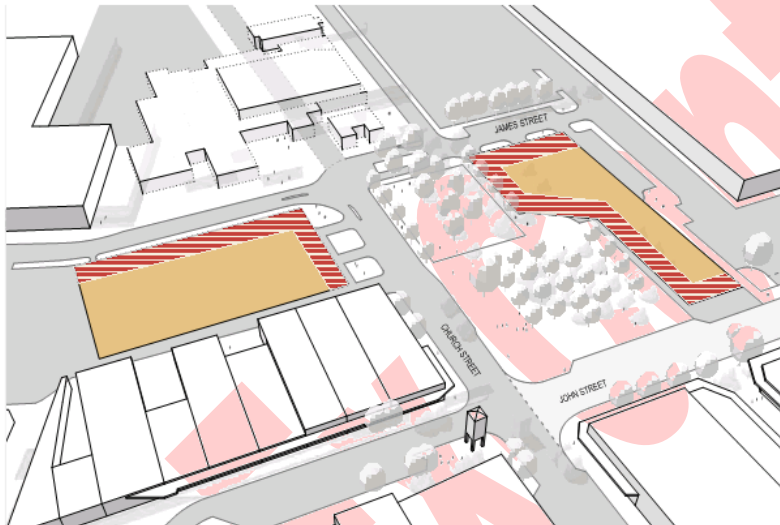
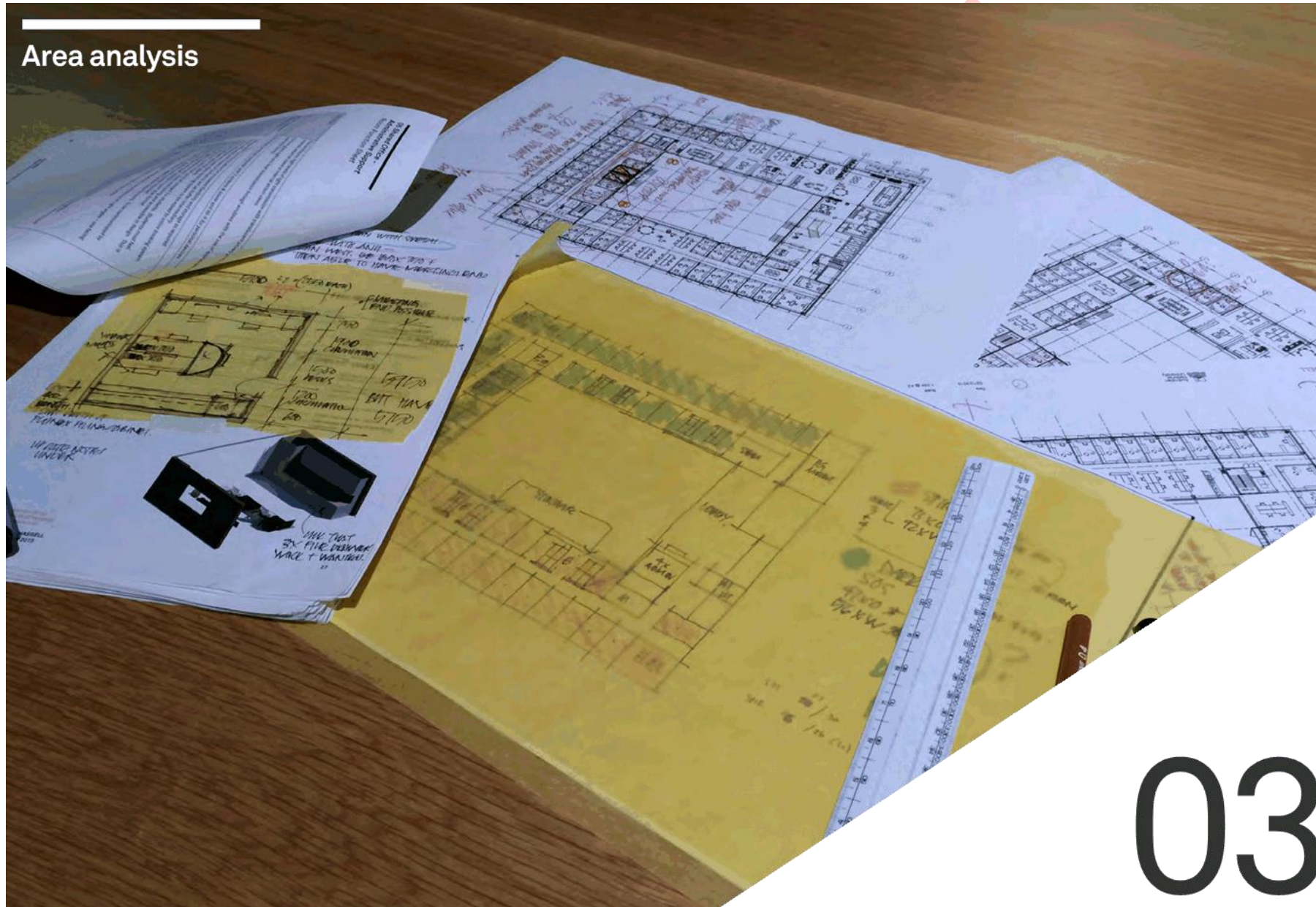


Figure 07: ACTIVE EDGES

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03

04 Area analysis

The initial Community Hub Area analysis prepared by the City of Salisbury was provided to HASSELL requesting area assumptions be tested for both Office and Civic/Community Centre functional components.

At the completion of the area analysis, the gross floor area (inclusive of voids) has been determined at approximately 6,675sqm. This figure comprises:

_2,875sqm for Council Office/Admin
_3,800sqm for Civic, Community Centre and Retail/Incubator space

The following text and schedules detail the area breakdown.

Office

The City of Salisbury are committed to pursuing a combination of permanent and 'activity based' work settings (ABW) to ensure an efficient use of floor space which is flexible in layout and can adapt to future workplace restructuring.

In reference to GOAC guidelines, the floor area allowance per staff member is nominated at 12.0sqm. This assumes each staff member occupies a permanent worksetting. With ABW, a permanent worksetting is not provided so the square metre area allowance per staff member can reduce.

Based on the principles of ABW, the City of Salisbury have elected to pursue a 0.8:1 staff area ratio (ie. the area per staff member equates to 9.6sqm in lieu of the GOAC guideline of 12.0sqm). However, acknowledging that some staff and teams will require a permanent work setting to carry out their day to day activities, 25% of staff will be accommodated in a permanent worksetting. The graphic on the page opposite highlights in detail the scenarios tested utilising a 0.8:1 ratio and the ultimate gross floor area saving.

Civic/Community Centre

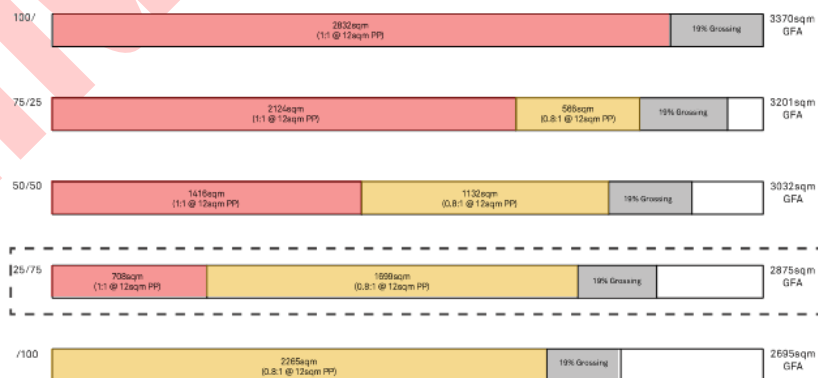
The Community Hub area analysis received from the City of Salisbury was investigated to challenge the assumptions made in their area analysis and the potential for doubling up like spaces. HASSELL with the City of Salisbury identified several spaces within the Civic/Community Centre schedule of areas

that could be collocated with other functional spaces to reduce area.

In mid-June, further direction was received from City of Salisbury to reduce some individual space components. A breakdown of each area that contributes to the sizing of the building floorplate is included on the following pages.

The total overall area figures take into account grossing for circulation, back of house plantroom and bathroom amenities.

Workplace setting scenarios tested for implementation



*Calculated on 236 staff 12sqm PP as per current GOAC guideline

_0.8:1 RATIO

Activity Based Working
Permanent Worksetting

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17

Community Hub Area Analysis						
Community Hub Key Functional Areas Assumptions	Base Case Floor Area Breakdown	HASSELL Recommended Functional Area additions	HASSELL Area Testing	Assumptions 6 June 2016	Area Update 9 June 2016	Revisions 9 June 2016
Additional community hall/activity space (not including chambers/mp space)	250	Additional community hall/activity space (not including chambers/mp space)	250		200	Reduced based on CoS input
Foyer/gallery space	200	Foyer/gallery space	200		200	
Meeting/activity rooms	150	Meeting/activity rooms	150		150	
Training/activity room	100	Training/activity room	100		100	
Circulation	200	Circulation		NOT INCLUDED: Aggregated in total ground floor area subtotal		
Amenities	150	Amenities		NOT INCLUDED: Factored in total ground floor area subtotal		
Kitchen	50	Kitchen	50		50	
		Storage	75	Assumed 10% of space	70	Assumed 10% of space - reduced due to change in Community Hall
Sub total	1100		825		770	
Civic						
Council chambers/multipurpose meeting/activity space	300	Council chambers/multipurpose meeting/activity space	300		200	Reduced based on CoS input
Customer service (Includes reception/hot desks)	200	Customer service (Includes reception/hot desks)	200		110	Reduced based on CoS input
		Storage	50	Assumed 10% of space	31	Assumed 10% of space - reduced due to change in Chambers and Customer Service
Sub total	500		550		341	

Community Hub Area Analysis						
Community Hub Key Functional Areas Assumptions	Base Case Floor Area Breakdown	HASSELL Recommended Functional Area additions	HASSELL Area Testing	Assumptions 6 June 2016	Area Update 9 June 2016	Revisions 9 June 2016
Information/learning space						
Book Collection Area	400	Book Collection Area	460	<p>"Calcs depend on what borrowing percentage is. Conservatively, we have assumed 70% of the collection is on the shelves and 30% is being borrowed.</p> <p>70% of 40,000 items=28,000 items on the shelves to be accommodated in the library.</p> <p>IFLA guidelines, we allow 70 spine out books per m² and say we allow 40 face out/picture books per m². As a proportion, we assumed that 20% of the collection will be displayed face out. The remaining 80% will be calculated as spine out books.</p> <p>Therefore 20% of 28,000= 5600 items. Divide this by 40= 140m² required for face out collection.</p> <p>Therefore 80% of 28,000= 22,400 items. Divide this by 70=320m²</p> <p>Total book collection area required 460m².</p> <p>The calcs assume 1500mm aisle widths between book bays and 1600mm high shelving (4 shelves each bay).</p> <p>If the borrowing percentage is higher, then the area required will obviously be lower.</p>	460	CoS view to reduce to 400sqm has not been adopted at this point
Computer Area	100	Computer Area	100	<p>"Calc based on project population number. 11 public access computers required as a minimum.</p> <p>100m² would appear to be quite reasonable. I would also include printer/ scanning/ access for the public within this area allowance.</p>	100	
General Seating	150	General Seating	277	<p>"On a sliding scale and using the People Places guide: 183 seats are to be provided. This includes lounge, study, group, casual and meeting seating. For Reading desk and lounge spaces we allow 3m² per seat.</p> <p>For group desk, smaller casual seating and meeting spaces we allow 1.8m² per seat.</p> <p>We have assumed that 30% of seating will be reading desk or lounge space. Therefore 30% of 183=55 seats x 3m²= 165m²</p> <p>We have assumed that 70% of seating will be group/meeting/casual seating. Therefore 70% of 183=128 seats x 1.8m²=230m².</p> <p>*Above totals 395m² , however assume 30% of this space flows into the open foyer space/gallery space to reduce overall area.</p>	277	"CoS view to reduce to 190sqm has not been adopted at this point

Community Hub Area Analysis						
Community Hub Key Functional Areas Assumptions	Base Case Floor Area Breakdown	HASSELL Recommended Functional Area additions	HASSELL Area Testing	Assumptions 6 June 2016	Area Update 9 June 2016	Revisions 9 June 2016
Information/learning space						
Self Check/Foyer/Photocopiers	65	Self Check/Foyer/Photocopiers	65	"Area seems ok but if Foyer is more than an airlock type situation may not be enough. Depends on how many RFID self check units they have. More units= more trolleys= more circulation required.	65	
Children /Youth Space	65	Children /Youth Space	65	"Ok but you would separate kids and Youth spaces. Youth should either be a stand alone space or integrated with the adult collections as a young-adult section. Depends also on where kids programming is held. Do they want to do it in the kids space or utilised hall/ training/ meeting spaces that are shared. If they are holding kids programmes in the kids area, then the space will need to the entire 65m ² or larger. If they do minimal or none, then the 65m ² could be smaller at say 45m ² . This also depends on the kids collection size and how they library likes to display it. Typically kids collections can take up a bit more room due to the larger format picture books etc	65	
History Collection	20	History Collection	20	"Area seems ok. If just a PC and a little bit of display, this could get down to about 5m ² like ACC City library. Alternatively no dedicated history room and display historical information throughout building on walls or in display cases	20	
Friends of Library Bookstore	100	Friends of Library Bookstore		DELETED		

Community Hub Area Analysis						
Community Hub Key Functional Areas Assumptions	Base Case Floor Area Breakdown	HASSELL Recommended Functional Area additions	HASSELL Area Testing	Assumptions 6 June 2016	Area Update 9 June 2016	Revisions 9 June 2016
Information/learning space						
		Library Workroom	60	Assumed 5 x Staff @ 12sqm per person	60	
Training Room	100	Training Room	100	Is the intention to use this room for purely library programs?		DELETED
Sub total	1000		1147		1047	
TOTAL	2600		2522		2158	
Lettable Floor Space	400		400		475	Renamed space
		Amenities	150	Factored for total floor area	150	Factored for total floor area
		Circulation	460.8	Assumed 15%	406.2	Assumed 15%
		Grossing	529.9	Assumed 15% - Back of House, Plant	606	Assumed 19% - Back of House, Plant
Total - Community Centre, Civic and Learning spaces	3000sqm		4062.7sqm		3795sqm	

Site development exploration



04 Site development exploration

Following analysis of the functional areas, and with consideration to the site analysis, preliminary floor planning studies were conducted for each site. These studies explored the potential for each site to engage with the surrounding environment whilst maintaining alignment with the Community Hub area analysis.

Elements such as internal voids, external terraces and ground level forecourts are considered in some studies to connect spaces that split across levels. The preliminary studies have all assisted in the development of the preferred and sub-options presented in Section 01 of this report.

Key elements and investigations of the studies include:

Sexton Carpark Site

Study 01:

Creation of a ground level set back from James Street to realise a pedestrian friendly forecourt at the building entry. The floors above then cantilever above to maximise the floor area and provide shading and weather protective to the ground level shopfront and forecourt beneath.

Study 02:

Investigating set backs in the building envelope on all levels to create external terraces. The terraces are deliberately located adjacent training rooms and offices for use as staff breakout space.

Civic Square Site

Study 01:

A linear building which flanks the eastern side of the Town Square. Four levels high in total and strategically sized 24m wide to ensure natural light penetration deep into the floor plate. Ground level setback 3m from floors above to provide weather protection for persons accessing the building from John Street or Parabanks shopping centre.

Study 02:

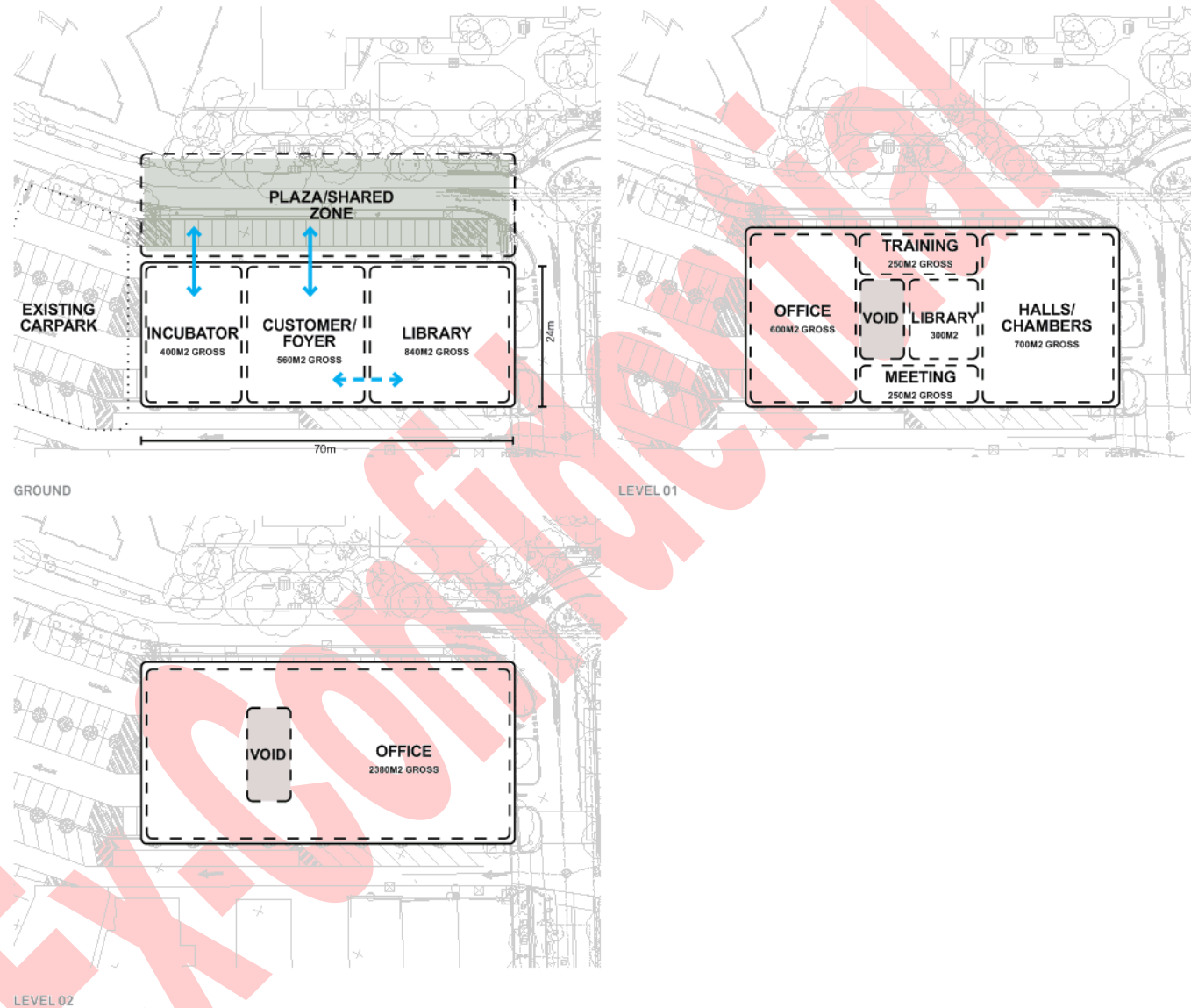
Maintaining a linear form but extends the information/learning space in a westerly direction to engage with the cemetery. This move increases the active edge of the new building as it wraps the Town Square.

Study 03:

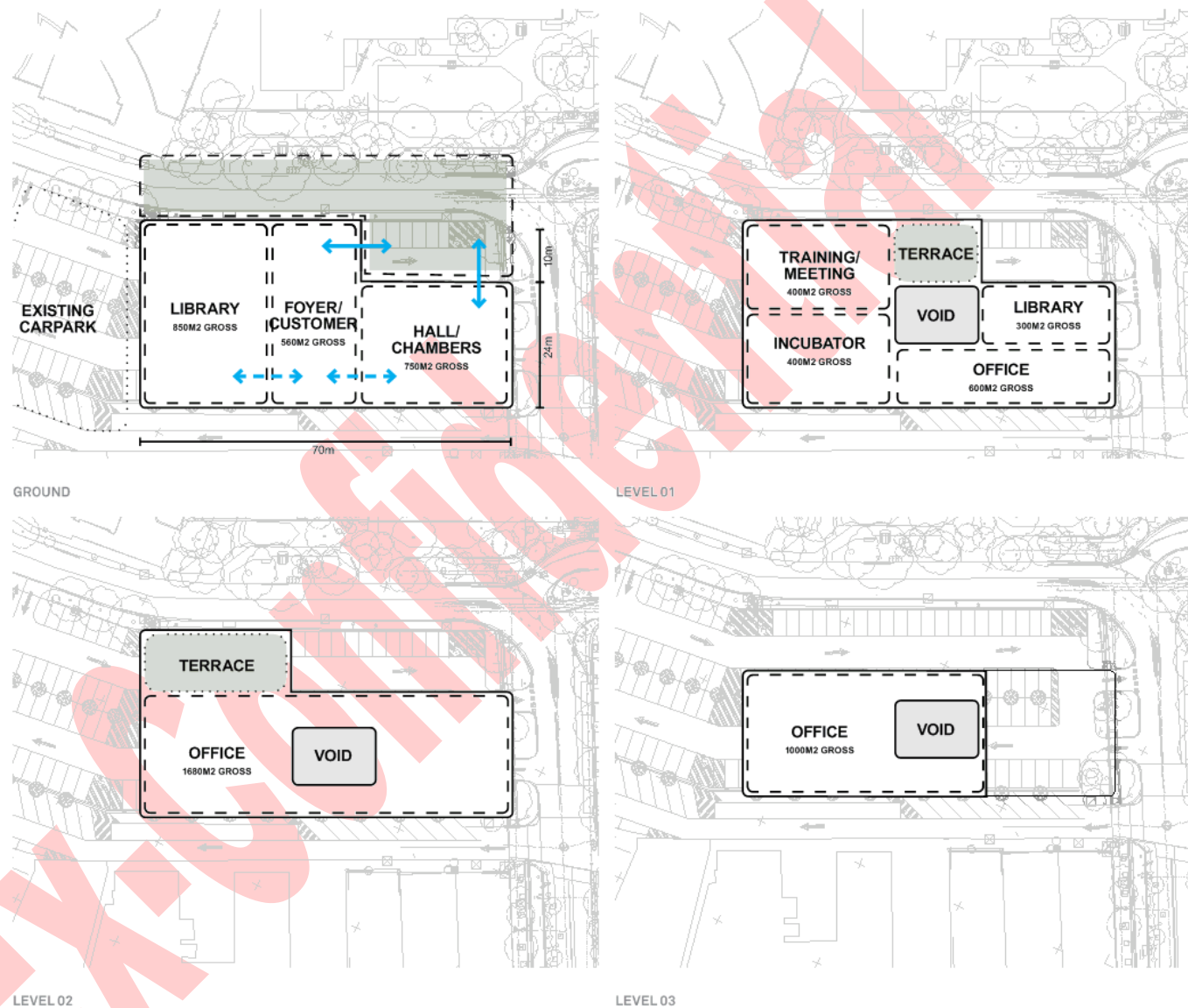
A linear building and a stand alone building purely for the Council Chambers / Activity Hall. The stand alone building could be double height structure with rooftop terrace for use by staff in the office levels adjacent.

The areas shown in each study are gross area figures with allowances made for circulation, fixed plant elements and bathroom amenities.

04 Site development exploration
Sexton Carpark site
Study 01



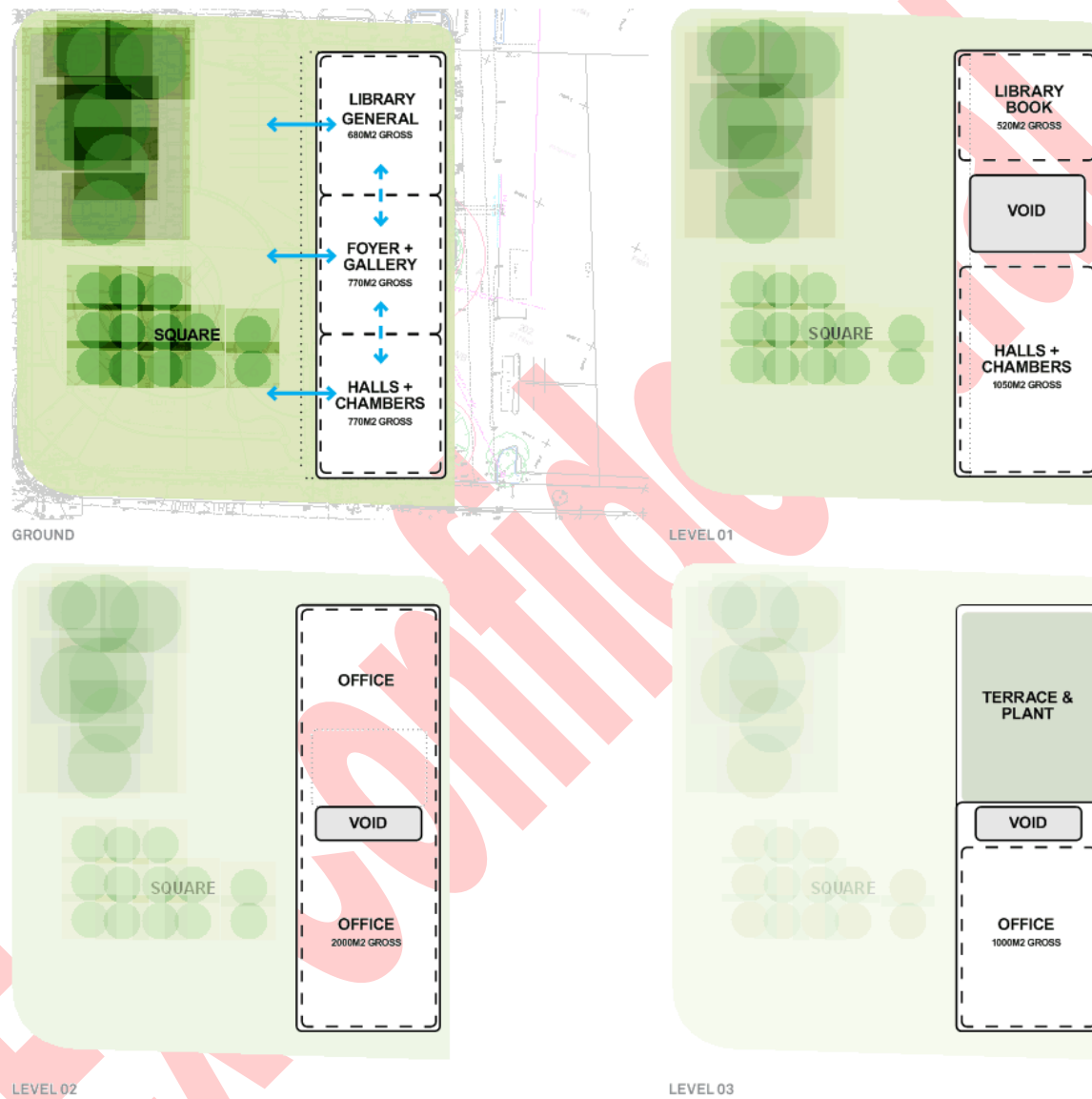
**04 Site development
exploration
Sexton Carpark site
Study 02**



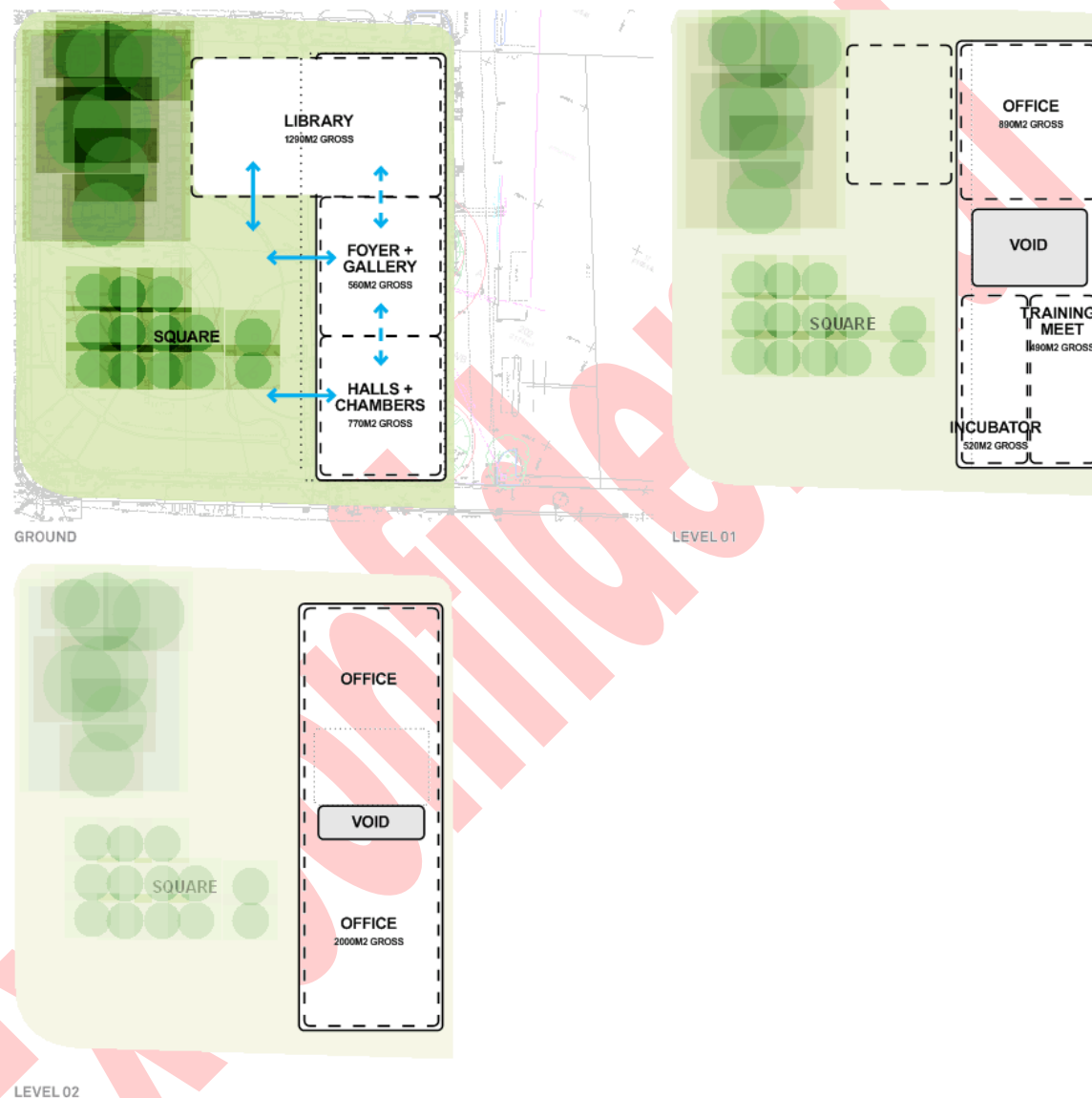
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25

04 Site development exploration
Civic Square site
Study 01

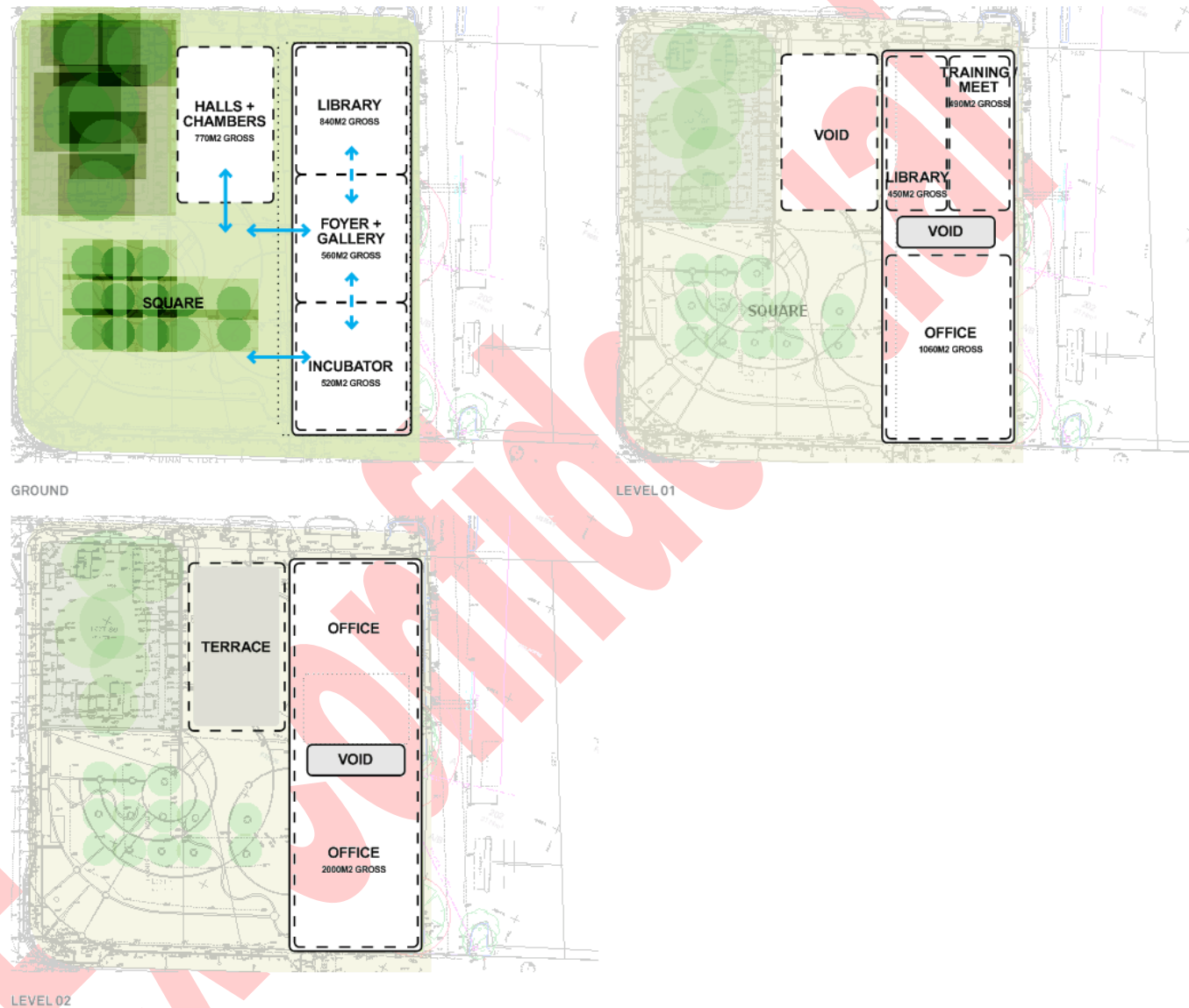


**04 Site development
exploration**
Civic Square site
Study 02



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04 Site development exploration
Civic Square site
Study 03



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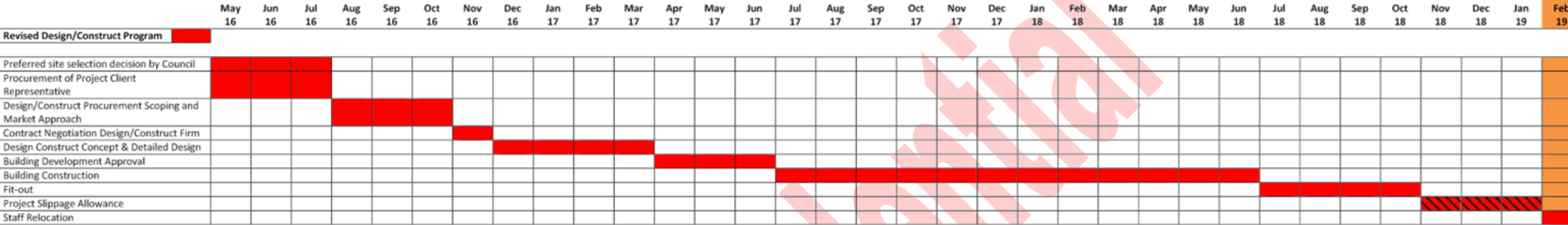
Placeholder

Attachment 5 – Rider Levett Bucknall – Net Present Value & Revenue Analysis

Confidential



Community Hub
High Level Delivery
Program*



*Detailed program with refined milestones, decision points will be developed for presentation to Council by the Project Client Representative once a preferred site selection is made and procurement strategy scoped.

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