

**INDEX**  
**(16 December 2002)**

<b>ITEM</b>	<b>REPORT DESCRIPTION</b>	
6.1	Confidential Report – Major Land Transaction - Proposed Multi Purpose Rectangular Sports Stadium and Redevelopment of Perth Oval, Pier Street, Perth – Progress Report No. 3	4

Minutes of the Special Meeting of the Council of the Town of Vincent held at the Administration and Civic Centre, 244 Vincent Street, Leederville, on Monday, 16 December 2002 commencing at 6.03pm.

**1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

The Presiding Member, Mayor Nick Catania, JP declared the meeting open at 6.03pm.

**2. RECORD OF ATTENDANCE/APOLOGIES/MEMBERS ON APPROVED LEAVE OF ABSENCE**

**(a) Apologies/Absent:**

Nil

**(b) Present:**

Mayor Nick Catania, JP	Presiding Member
Cr Simon Chester	Mt Hawthorn Ward (from 6.08pm)
Cr Caroline Cohen	North Perth Ward
Cr David Drewett, JP	Deputy Mayor - Mt Hawthorn Ward
Cr Helen Doran-Wu	Mt Hawthorn Ward (from 6.05pm)
Cr Basil Franchina	Mt Hawthorn Ward (until 6.07pm)
Cr Kate Hall	North Perth Ward
Cr Ian Ker	North Perth Ward
Cr Marilyn Piper, JP	North Perth Ward
John Giorgi, JP	Chief Executive Officer
Rob Boardman	Executive Manager, Environmental and Development Services
Rick Lotznicher	Executive Manager, Technical Services
Mike Rootsey	Executive Manager, Corporate Services
Debbie Winfield	Minutes Secretary
Peter Hunt	Principal, Peter Hunt Architects
Con Lampropoulos	Architect, Peter Hunt Architects
Ron Alexander	Director General, Department of Sport and Recreation
Members of the Public	Nil

**(c) Members on Leave of Absence:**

Nil.

**3 (a) PUBLIC QUESTION TIME AND RECEIVING OF PUBLIC SUBMISSIONS**

Nil

**3 (b) RESPONSE TO PREVIOUS PUBLIC QUESTION TAKEN ON NOTICE**

Nil

**4. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION)**

Nil.

**5. DECLARATION OF INTERESTS**

5.1 Cr Hall declared a proximity interest in Item 6.1. The extent of her interest being that she rents and resides in a house in Pier Street opposite Perth Oval.

5.2 Cr Franchina declared a proximity interest in Item 6.1. The extent of his interest being that his daughter owns property nearby to Perth Oval. Cr Franchina advised that he would not participate or vote on this item.

**Cr Doran-Wu entered the Chamber at 6.05pm.**

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**COUNCIL DECISION ITEM 6.1**

**Moved by Cr Drewett, Seconded by Cr Hall**

*That the meeting proceed behind closed doors to consider Item 6.1.*

**CARRIED (8-0)**

(Cr Chester was absent from the Chamber and did not vote.)

At 6.06pm Mayor Catania advised that Council will be proceeding behind closed doors to consider Item 6.1 as this item contains information which is considered confidential.

**Moved by Cr Hall, Seconded by Cr Ker**

*That Mr Peter Hunt, Principal Peter Hunt Architects, Mr Con Lampropoulos, Architect, Peter Hunt Architects and Mr Ron Alexander, Director General, Department of Sport and Recreation, be permitted to remain in the Chamber for confidential Item 6.1.*

**CARRIED (8-0)**

(Cr Chester was absent from the Chamber and did not vote.)

At 6.06pm Council proceeded behind closed doors to consider Item 6.1.

**Mr Peter Hunt, Principal Peter Hunt Architects, Mr Con Lampropoulos, Architect, Peter Hunt Architects and Mr Ron Alexander, Director General, Department of Sport and Recreation remained in the Chamber.**

Cr Hall and Franchina departed the Chamber at 6.07pm as they had declared an interest in the item. Cr Franchina did not return to the meeting.

**Moved by Cr Ker, Seconded by Cr Doran-Wu**

*That Cr Hall's request to participate and vote on Item 6.1 be approved.*

**CARRIED ON THE CASTING VOTE  
OF THE MAYOR (4-3)**

**For**

**Mayor Catania (2 votes)**  
**Cr Doran-Wu**  
**Cr Ker**

**Against**

**Cr Cohen**  
**Cr Drewett**  
**Cr Piper**

**(Crs Chester, Franchina and Hall were absent from the Chamber and did not vote.)**

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**Cr Chester entered the Chamber at 6.08pm.**

**Debate ensued.**

**Cr Doran-Wu departed the Chamber at 6.13pm.**

**Cr Doran-Wu returned to the Chamber at 6.14pm.**

**Cr Hall returned to the Chamber at 6.15pm.**

**Mayor Nick Catania advised Cr Hall that the motion to allow her request to participate and vote on Item 6.1 was carried (4-3).**

**6.1 Confidential Report – Major Land Transaction - Proposed Multi Purpose Rectangular Sports Stadium and Redevelopment of Perth Oval, Pier Street, Perth – Progress Report No. 3**

<b>Ward:</b>	North Perth	<b>Date:</b>	6 December 2002
<b>Precinct:</b>	Beaufort, P13	<b>File Ref:</b>	RES0051
<b>Reporting Officer(s):</b>	John Giorgi		
<b>Checked/Endorsed by:</b>	-		
<b>Amended by:</b>	-		

Moved by Cr Drewett, Seconded by Cr Piper

*That the recommendation be adopted*

**MOTION AS AMENDED CARRIED (8-0)**

(Cr Franchina was absent from the Chamber and did not vote.)

**COUNCIL DECISION ITEM 6.1**

*That the Council;*

- (1) *RECEIVES the Progress Report No. 3 as at 6 December 2002, relating to the proposed Multi Purpose Rectangular Sports Stadium and Redevelopment of Perth Oval, Pier Street, Perth;*
- (2) *in accordance with Regulation 10 of the Local Government (Administration) Regulations 1996 as referred to in Section 5.25(e) of the Local Government Act 1995 having received the support of one third of the number of offices of Members of the Council, namely Mayor Catania, Cr Chester and Cr Ker, resolves to CHANGE the following resolution adopted by the Council at its Special Meeting held on 30 October 2001 (Item No. 5.2, Clauses (1)(b) and (3)(b)), namely;*

*"(1)(b) redevelop Perth Oval, construct a Multi-Purpose Rectangular Sports Stadium (Stage 1) and construct approximately 35,000m<sup>2</sup> of public open space, including plants, lawn, paths, lighting, fencing, street furniture, public art and bore upgrade and reticulation, (as shown in Plans SK01 & SK02 – Appendices 3 and 4) at an estimated cost of \$9,800,000; and ...*

- (3)(b) *Perth Oval redevelopment – upgrade of existing infrastructure, construction of a Multi-Purpose Rectangular Sports Stadium and creation of approximately 35,000m<sup>2</sup> of public open space, at an estimated cost of \$9,800,000;*

<i>Others</i>	<i>State Govt.</i>	<i>Town</i>
<i>(To be determined)</i>	<i>\$6,800,000</i>	<i>\$3,000,000</i>

*and the \$3 million to be funded from loan borrowings and be used as follows;*

- (i) *\$1.0 million for the upgrade of the existing buildings and infrastructure;*
- (ii) *\$1.0 million for the construction of Stage 1 of the Multi-Purpose Rectangular Sports Stadium;*

(iii) *\$1.0 million for the establishment of approximately 35,000m<sup>2</sup> of public open space (including plants, lawn, paths, paving, lighting, fencing, street furniture, public art and bore upgrade and reticulation), upgrade of footpaths, street lighting and infrastructure, the construction of 40 new on-street carbays in Pier Street and 67 new on-street carbays in Brewer Street and the upgrade of the former Caretakers residence on the eastern side of the reserve (or its demolition) and associated preliminaries and headwork costs; and ..."*

(3) **RESOLVES BY AN ABSOLUTE MAJORITY to approve the following;**

- (i) *the revised concept plan as shown in Appendix 6.2 (Plan Nos. SK1-SK7 dated 28 November 2002);*
- (ii) *redevelop Perth Oval, construct a Multi-Purpose Rectangular Sports Stadium (Stage 1) and create approximately 35,000m<sup>2</sup> of public open space, including plants, lawn, paths, lighting, fencing, street furniture, public art and bore upgrade and reticulation, (as shown in Plan Nos SK1-SK7 dated 28 November 2002) at an estimated cost of \$10,548,000;*
- (iii) *Perth Oval redevelopment funding, at an estimated cost of \$10,548,000 (excluding GST) to be as follows;*

<u>Stage 1</u>			
<u>Year</u>	<u>Town</u>	<u>Government</u>	<u>Total</u>
2003/04	\$4,469,000	\$4,500,000	\$8,969,000
2004/05	0	\$1,579,000	\$1,579,000
<b>Total</b>	<b>\$4,469,000</b>	<b>\$6,079,000</b>	<b>\$10,548,000</b>

*subject to;*

- (a) *the State Government of Western Australia bringing forward its funding of \$1,579,000 listed for 2004/05, and this to be paid at October 2003;*
- (b) *the proposed Stage 2 of the Perth Oval redevelopment project to be subject to the results of a needs analysis within 5 years, and the funding be the subject of further negotiation (and the report amended accordingly); and*
- (c) *the Town's contribution being obtained from loan borrowings and this to be solely re-paid by potential users of the facility through, but not limited to, income from the lease payments and license fees, sale of naming rights, sale of food and beverage rights, sale of management rights, sale of marketing rights and sponsorship rights;*
- (iv) *the \$10.548 million Stage 1 works to be used as follows;*

	<u>Stage 1</u>
<b>1.0 - Construction Costs</b>	<b>8,840,000</b>
<b>2.0 - Other Project Costs</b>	<b>1,708,000</b>
<b>Total Project Cost</b>	<b>10,548,000</b>

*\*Excludes GST*

**1,054,800**

- (4) *AMENDS the Major Land Transaction Proposal and Business Plan to reflect the new changes as shown in Appendix 6.2(A) and for this to be advertised statewide for a period of not less than six (6) weeks, commencing in mid January 2003, and inviting written submissions on the proposed undertakings and for the Council to consider any submissions received at the conclusion of this period;*
- (5) *NOTES that the Town's contribution is the subject of negotiation and further investigation by the Chief Executive Officer for lease terms and conditions, sale of facility naming rights, food and beverage catering rights, marketing and sponsorship rights, management rights and other concessions to be determined and a further report will be submitted for the Council's approval, and for this to be also approved by the State Government Expenditure Review Committee;*
- (6) *AUTHORISES the Chief Executive Officer to prepare the necessary documentation and advertise tenders for the proposed Multi Purpose Rectangular Sports Stadium at Perth Oval for the;*
- (i) facility naming rights, including venue, proposed stands and scoreboard;*
  - (ii) food and beverage catering rights;*
  - (iii) management of the venue; and*
  - (iv) marketing and sponsorship of the venue;*
- (7) *NOTES that;*
- (i) this redevelopment project is subject to the approval of the State Government Expenditure Review Committee (at its meeting to be held on 18 December 2002); and*
  - (ii) the Town will be required to enter into a Financial Assistance Agreement with the State Government of Western Australia and the Agreement will include the following conditions;*
    - (a) the Department of Sport and Recreation will act as agents on behalf of the State Government of Western Australia and must be involved in discussions and decisions made in regard to future management and use of the facility;*
    - (b) the State Government of Western Australia will not accept responsibility for any deficits incurred with operating the venue, nor will it require a portion of any profit from operating the venue, should this eventuate;*
    - (c) management of the venue will be via a public tender process (controlled by the Town);*
    - (d) naming rights, catering and sponsorship will be via a public tender process;*
    - (e) a Management Committee/Board be established that includes the Town and the Department of Sport and Recreation (and other members to be decided) to oversee the operation of the facility and to provide regular updates to the Minister for Sport and Recreation;*

- (f) *the facility be made available to as many sporting groups as the facility design permits, including cultural and artistic events and significant occasions such as World Championships, Commonwealth Games, etc; and*
  - (g) *maintenance of the venue will be the responsibility of the Town of Vincent;*
- (8) *REFERS, in accordance with the provisions of the Town of Vincent Town Planning Scheme No. 1 and the Metropolitan Region Scheme, to the Western Australian Planning Commission (WAPC), the application and plans dated 28 November 2002, with appropriate conditions for the proposed redevelopment of Perth Oval, for determination;*
- (9) *APPROVES the borrowing of \$4,469,000 and AUTHORISES the Chief Executive Officer to;*
  - (i) *give one (1) month's notice of the Council's intention in accordance with Section 6.20 of Subdivision 3, Part 6 of the Local Government Act 1995 and subject to prior approval by the State Treasurer (under the Local Government Act, Section 6.21); and*
  - (ii) *call a tender/quotation for the loan funding;*
- (10) *REQUIRES the Directors/Owners, Mr Nick Tana and Mr David Rodwell of Perth Glory Soccer Club Pty Ltd (PGSC), to enter into a legal agreement to personally guarantee the Council's loan borrowings for this project;*
- (11) *REQUIRES the light towers and fittings at Perth Oval (currently owned by PGSC) to be transferred to the Town's ownership at the end of the proposed lease period between the Town and PGSC;*
- (12) *APPROVES of the Town carrying out the sewer diversion at Perth Oval and to be reimbursed by the Water Corporation, when the work has been completed;*
- (13) *AUTHORISES the Chief Executive Officer to negotiate and report back to the Council for approval of the Financial Assistance Agreement and Terms and Conditions;*
- (14) *AUTHORISES the Chief Executive Officer to make public this Confidential Report and the Confidential Report of the Special Meeting of Council held on 30 October 2001, other than the sensitive financial or commercial information;*
- (15) *AUTHORISES the Project Architects to proceed with the preparation of the necessary documentation and working drawings;*
- (16) *REQUESTS the Chief Executive Officer to implement appropriate procedures, processes and mechanisms, so that the Town does not pay any greater costs than the approved project costs, including (but not limited to) all tender documentation containing the necessary clauses specifying substantial penalties for building delays; and*
- (17) *the proposed Public Open Space on Perth Oval be named "LOTON PARK" (in recognition of William Thorley LOTON, the original landowner, who transferred the land to the former City of Perth - now the Town of Vincent - to be used as a public park and recreation ground in perpetuity) subject to;*



- (i) this matter being advertised for public comment for a period of forty two (42) days (as part of the Major Land Transaction); and*
  - (ii) the Chief Executive Officer submitting a further report to the Council to consider any submissions received at the end of the public consultation period.*
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**Ron Alexander thanked the Council for the decision and the assistance and cooperation provided in the partnership with the State Government of WA.**

**Peter Hunt also thanked the Council for the decision of approval and stated that the redevelopment project will provide a vast improvement on the existing facilities.**

## **7. CLOSURE**

Presiding Member, Mayor Catania JP, declared the Meeting closed at 7.08pm with Councillors Chester, Cohen, Doran-Wu, Drewett JP, Hall, Ker and Piper JP, Chief Executive Officer, John Giorgi JP, Executive Manager Corporate Services, Mike Rootsey, Executive Manager Environmental and Development Services, Rob Boardman, Executive Manager Technical Services, Rick Lotznicher, Minutes Secretary, Debbie Winfield and Principal, Peter Hunt Architects, Peter Hunt, Architect, Peter Hunt Architects, Con Lampropoulos and Ron Alexander, Director General, Department of Sport and Recreation present.

These Minutes were confirmed by the Council as a true and accurate record of the Special Meeting of the Council held on 16 December 2002.

Signed: .....Presiding Member  
Mayor Nick Catania, JP

Dated this ..... day of ..... 2003



## TOWN OF VINCENT

AT THE SPECIAL MEETING OF COUNCIL HELD ON  
16 DECEMBER 2002 THE COUNCIL NO LONGER  
DEEMED THE ATTACHED ITEMS TO BE  
CONFIDENTIAL AND THAT THEY BE MADE  
AVAILABLE TO THE PUBLIC

Special Meeting of Council – 30 October 2001

<u>Item No.</u>		<u>Page No.</u>
5.2	Proposed Redevelopment of; 1. Leederville Oval, 246 Vincent Street, Leederville, into a “Football Centre of Excellence” and Proposed Offices and Clubrooms; 2. Loftus Centre Land – for a State Indoor Multi-Use Sports Centre; and 3. Proposal to Redevelop and Lease Perth Oval – Pier Street, Perth – Construction of a Multi-Purpose Rectangular Sports Stadium and Construction of Public Open Space	1

Special Meeting of Council – 16 December 2002

<u>Item No.</u>		
6.1	Major Land Transaction – Proposed Multi Purpose Rectangular Sports Stadium and Redevelopment of Perth Oval, Pier Street, Perth – Progress Report No. 3	40

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**AT THE SPECIAL COUNCIL MEETING HELD ON 16 DECEMBER 2002, IT WAS RESOLVED THAT THIS REPORT NO LONGER REMAIN CONFIDENTIAL AND BE MADE AVAILABLE TO THE PUBLIC.**

**5.2 Proposed Redevelopment of; 1. Leederville Oval, 246 Vincent Street, Leederville, into a "Football Centre of Excellence" and Proposed Offices and Clubrooms; 2. Loftus Centre Land - for a State Indoor Multi-Use Sports Centre; and 3. Proposal to Redevelop and Lease Perth Oval – Pier Street, Perth – Construction of a Multi-Purpose Rectangular Sports Stadium and Construction of Public Open Space**

<b>Ward:</b>	North Perth	<b>Date:</b>	26 October 2001
<b>Precinct:</b>	Oxford Centre, P4 Beaufort, P13	<b>File Ref:</b>	RES0051/RES0052/ RES0060
<b>Reporting Officer(s):</b>	John Giorgi		
<b>Checked/Endorsed by:</b>	-		
<b>Amended by:</b>	-		

**RECOMMENDATION:**

*That the Council APPROVES BY AN ABSOLUTE MAJORITY;*

- (1) *to enter into a partnership with the State Government of Western Australia to;*
- (a) *redevelop Leederville Oval into a West Australian "Football Centre of Excellence", (as shown in Plan SK07A – Appendix 1) at an estimated cost of \$2,450,000;*
  - (b) *redevelop Perth Oval, construct a Multi-Purpose Rectangular Sports Stadium (Stage 1) and construct approximately 35,000m<sup>2</sup> of public open space, including plants, lawn, paths, lighting, fencing, street furniture, public art and bore upgrade and reticulation, (as shown in Plans SK01 & SK02 – Appendices 3 and 4) at an estimated cost of \$9,800,000;*
  - (c) *construct a State Indoor Multi-Use Sports Centre on the Loftus Centre land (as shown in Plan SK07A - Appendix 1), at an estimated cost of \$3,500,000;*
  - (d) *construct an office administration building for the Department of Sport and Recreation on the Vincent Street frontage of Leederville Oval (as shown in Plan SK07A – Appendix 1), at an estimated cost of \$3,000,000; and*
  - (e) *construct approximately 10,650m<sup>2</sup> of public open space (including plants, lawn, paths, lighting, fencing, street furniture, public art and bore upgrade and reticulation), upgrade of footpaths, street lighting and infrastructure, the construction of a new 60 bay carpark adjoining the Loftus Centre Carpark, construction of approximately 120 new embayed carbays on Richmond Street and associated street enhancements and the upgrade and lighting of the carpark at the western side of the Reserve;*

(2) *to authorise the Chief Executive Officer to enter into the necessary legal agreements with the State Government of Western Australia, Department of Sport and Recreation and other organisations for the partnership proposals as detailed in this report;*

(3) *to agree to the funding arrangements and to contribute to the partnership proposals as follows;*

(a) *Leederville Oval - a West Australian "Football Centre of Excellence", at an estimated cost of \$2,450,000;*

<i>Others</i>	<i>State Govt.</i>	<i>Town</i>
<i>\$750,000</i>	<i>\$350,000</i>	<i>\$1,350,000</i>

*and the \$1 million from the Leederville Oval Reserve Fund to be used for the upgrade of the existing buildings and infrastructure, subject to the approval of the Department of Sport and Recreation being granted and the other monies be funded from the Capital Reserve Fund; and*

(b) *Perth Oval redevelopment – upgrade of existing infrastructure, construction of a Multi-Purpose Rectangular Sports Stadium and creation of approximately 35,000m<sup>2</sup> of public open space, at an estimated cost of \$9,800,000;*

<i>Others</i>	<i>State Govt.</i>	<i>Town</i>
<i>(To be determined)</i>	<i>\$6,800,000</i>	<i>\$3,000,000</i>

*and the \$3 million to be funded from loan borrowings and be used as follows;*

(i) *\$1.0 million for the upgrade of the existing buildings and infrastructure;*

(ii) *\$1.0 million for the construction of Stage 1 of the Multi-Purpose Rectangular Sports Stadium;*

(iii) *\$1.0 million for the establishment of approximately 35,000m<sup>2</sup> of public open space (including plants, lawn, paths, paving, lighting, fencing, street furniture, public art and bore upgrade and reticulation), upgrade of footpaths, street lighting and infrastructure, the construction of 40 new on-street carbays in Pier Street and 67 new on-street carbays in Brewer Street and the upgrade of the former Caretakers residence on the eastern side of the reserve (or its demolition) and associated preliminaries and headwork costs; and*

(c) *construction of a State Indoor Multi-Use Sports Centre on the Loftus Centre land, at an estimated cost of \$3,500,000;*

<i>Others</i>	<i>State Govt.</i>	<i>Town</i>
<i>\$500,000</i>	<i>\$1,700,000</i>	<i>\$1,300,000</i>

*and the \$1,300,000 to be funded from the future proceeds from the sale of the proposed Elven Street subdivision and portion of the Len Fletcher Pavilion Reserve Fund and Capital Reserve Fund (if required); and*

- (d) construction of an office administration building for the Department of Sport and Recreation on the Vincent Street frontage of Leederville Oval, at an estimated cost of \$3,000,000, and this to be funded from loan borrowings; and*
  - (e) construction of approximately 10,650m<sup>2</sup> of public open space (including plants, lawn, paths, lighting, fencing, street furniture, public art and bore upgrade and reticulation), upgrade of footpaths, street lighting and infrastructure, the construction of a new 60 bay carpark adjoining the Loftus Centre Carpark, construction of approximately 120 new embayed carparks on Richmond Street and associated street enhancements and the upgrade and lighting of the carpark at the western side of the Reserve, at an estimated cost of \$850,000, to be funded from the Capital Reserve Fund;*
  - (4) to borrow the following monies and authorise the Chief Executive Officer to give one (1) month's notice of the Council's intention in accordance with Section 6.20 of Subdivision 3 of PART 6 of the Local Government Act;*
    - (a) \$3 million for the construction of an office building to be located on the Vincent Street frontage of Leederville Oval as the future headquarters for the Department of Sport and Recreation; and*
    - (b) \$3 million for the redevelopment of Perth Oval, including the upgrade of existing infrastructure, construction of a multi-purpose rectangular sports stadium and construction of a new public park of approximately 35,000m<sup>2</sup>;*
  - (5) to authorise the Chief Executive Officer to give one (1) month's local public notice of the Council's intention to change the use of the Len Fletcher Pavilion Reserve Fund money and use part of the funds (if required), in accordance with Section 6.11 of Division 4 of PART 6 of the Local Government Act for the creation of the public open space and carparking, as part of the of the Leederville Oval and Loftus Centre redevelopment and/or State Indoor Multi-Use Sports Centre;*
  - (6) to authorise the Chief Executive Officer to give one (1) month's local public notice of the Council's intention to change the future use of the Leederville Oval Reserve Fund, in accordance with Section 6.11 of Division 4 of PART 6 of the Local Government Act, to include the following words;*

*“and for works associated with the maintenance, repairs, upgrade and replacement of Leederville Oval buildings, fittings and associated land”;*
  - (7) to authorise the Chief Executive Officer to establish a new Reserve Fund for Perth Oval and associated land, in accordance with Section 6.11 of Division 4 of PART 6 of the Local Government Act for works associated with the maintenance, repairs, upgrade and replacement of Perth Oval buildings, fittings and associated land;*
  - (8) to advise East Perth Football Club (EPFC) that in view of the redevelopment proposal, that Perth Oval is no longer available for use by EPFC and offers to lease parts of Leederville Oval to EPFC and Subiaco Football Club (SFC) to be used as a “Football Centre of Excellence” subject to;*
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- (i) *the Chief Executive Officer being authorised to enter into negotiations with the Department of Sport and Recreation, the West Australian Football Commission and/League (WAFC/WAFL), EPFC and SFC;*
  - (ii) *state-wide public notice of the proposed leases being advertised in accordance with Section 3.58 of the Local Government Act for a period of not less than two (2) weeks and for the Council to consider any submissions;*
  - (iii) *the leased areas being that shown in Plan SK07A (Appendix 2) and the Chief Executive Officer being authorised to amend the boundaries, which may result from the refinement of the plans and the negotiations;*
  - (iv) *the Department of Sport and Recreation approving of the use of the Leederville Oval Reserve Fund monies, for the upgrade and redevelopment of Leederville Oval as detailed in this report;*
  - (v) *EPFC and SFC entering into the necessary legal documentation for the joint tenancy of Leederville Oval and associated works, the Council solicitors preparing the necessary Lease documents and all costs to be paid by Council;*
  - (vi) *a lease term of 21 years for Leederville Oval being approved by the Minister for Lands;*
  - (vii) *compliance with all relevant Environmental Health, Building and Engineering requirements;*
  - (viii) *the redevelopment proposal being granted the necessary Planning and Building Approvals from the Town, Heritage Council of Western Australia and the Western Australian Planning Commission;*
  - (ix) *the Chief Executive Officer being authorised to negotiate on behalf of the Council, and to include in the legal documentation such matters as;*
    - (a) *the lease commencement date and term of 21 years;*
    - (b) *the extent of the leased area, which excludes the carpark on the western side of the Oval – which is to be available for use by the public and also EPFC and SFC on training and match days;*
    - (c) *the payment of all outgoings by EPFC and SFC;*
    - (d) *the Consumer Price Index applying to the base rent of \$5,200;*
    - (e) *any proposed names of the venue, gates and buildings to be approved by the Council and the Council to refuse at its absolute discretion the use of any inappropriate names;*
    - (f) *all night games to conclude by 9.30pm and the floodlights shall not be illuminated after 10.00pm;*
    - (g) *a provision that Leederville Oval can be made available for use by other sporting bodies and other sports, providing this does not conflict with WAFL games, and for the Town to be able to direct EPFC and SFC (and any other lessees, if applicable) at its absolute discretion for the venue to be made available;*
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- (h) a maximum of 20 night games per year and any additional night games shall be the subject of separate negotiations with the Town and prior Council approval;*
    - (i) the Town to be provided with a schedule of dates each year for games to be played and to be advised with adequate notice of any non-scheduled games in order to allow sufficient time to inform the local community;*
    - (j) music or amplification of sound not originating from outside the venue and no noise-generating promotional vehicles to be parked outside the venue during day or night games, unless otherwise approved by Council;*
    - (k) Management Committees for the management and control of the common areas and ground;*
    - (l) the Council to retain control of future leasing of common areas;*
    - (m) the proposed design, layout and construction of the EPFC and SFC offices and refurbishment of the common areas;*
    - (n) the commencement dates and occupation of Leederville Oval and the relocation of EPFC from Perth Oval;*
    - (o) any other matters, which in the opinion of the Chief Executive Officer are in the best interest of the Town; and*
    - (p) the final legal documentation/lease to be approved by the Council;*
  - (9) to authorise the Chief Executive Officer to enter into negotiations with the Department of Sport and Recreation for the costings, leasing and/or management details and construction of the proposed administration building, and the State Indoor Multi-Use Sports Centre;*
  - (10) to authorise the Chief Executive Officer to enter into negotiations with Perth Glory Soccer Club Pty Ltd (PGSC), Soccer Association of WA and various soccer bodies, WA Rugby League, WA Rugby Union, Gaelic Football Association, Lacrosse Association, Gridiron Association, other interested sports groups and any other interested parties, for their involvement in the redevelopment of Perth Oval and use of the Multi-Purpose Rectangular Sports Stadium;*
  - (11) to authorise the Chief Executive Officer to give state-wide public notice in accordance with Section 3.58 of the Local Government Act, for a period of not less than two (2) weeks of its intention to lease a part of Perth Oval to Perth Glory Soccer Club, WA Rugby League and other sporting groups, and for the Council to consider any submissions;*
  - (12) to authorise the Chief Executive Officer to investigate and report back to Council on the most appropriate manner/model for the;*
    - (i) financing and redevelopment of Leederville and Perth Ovals, including construction of the Multi-Purpose Rectangular Sports Stadium and associated works, including the continued operation of sporting activities associated with Leederville and Perth Ovals (including East Perth Football Club, West Australian Football League and National Soccer League fixtures) during the redevelopment period; and*
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- (ii) *management options for the proposed Multi-Purpose Rectangular Sports Stadium;*
- (13) *the Major Land Transaction proposals (as required by the Local Government Act 1995, Section 3.58 and Section 3.59) and Business Plans;*
- (i) *for the redevelopment of Perth Oval, construction of a Multi-Purpose Rectangular Sports Stadium and leasing of accommodation to Perth Glory Soccer Club and other interested sporting groups and creation of a new public park of approximately 35,000m<sup>2</sup> of public open space (Appendix 5); and*
  - (ii) *for the construction of an office administration building and leasing thereof to the Department of Sport and Recreation, on the Vincent Street frontage of Leederville Oval, at an estimated cost of \$3,000,000 (Appendix 6);*

*and for these to be advertised statewide for a period of not less than six (6) weeks and inviting written submissions on the proposed undertakings and for the Council to consider any submissions received at the conclusion of this period;*

- (14) *to advertise on a local public basis the following proposals;*
- (i) *the redevelopment of Leederville Oval into a WA “Football Centre of Excellence” and leasing part thereof to East Perth Football Club and Subiaco Football Club;*
  - (ii) *the construction of a State Indoor Multi-Use Sports Centre on the Loftus Centre land; and*
  - (iii) *the creation of approximately 10,650m<sup>2</sup> of public open space (including plants, lawn, paths, paving, lighting, fencing, street furniture, public art and bore upgrade and reticulation), upgrade of footpaths, street lighting and infrastructure, the construction of a new 60 bay carpark adjoining the Loftus Centre Carpark, construction of approximately 120 new embayed carbays on Richmond Street and associated street enhancements and the upgrade and lighting of the carpark at the western side of the Reserve;*

*for a period of not less than six (6) weeks and invite written submissions on the proposed undertakings and for the Council to consider any submissions received at the conclusion of this period;*

- (15) *to authorise the Chief Executive Officer to investigate, negotiate and further report on the possible future alterations and/or extension of the Loftus Centre (Recreation Centre, Community Centre, Library), to liaise with the various landowners and occupiers adjoining Leederville Oval and the Loftus Centre site and the proposed date for the demolition of the Len Fletcher Pavilion and two (2) dwelling houses, located on Smith's Lake Reserve;*
- (16) *for the Council to act as the Owner/Project Manager/Client for the construction of the various proposals detailed in this report;*
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- (17) *to authorise the Chief Executive Officer to engage the services, or call tenders (as required), for the necessary architects and consultants to progress the proposals, assist with these matters and to provide the necessary information/advice as required;*
- (18) *to authorise the Mayor and the Chief Executive Officer to negotiate with the State Government and other parties, on matters relating to the partnership, including funding, uses, leases, and the required State Government approvals;*
- (19) *to authorise the Mayor and the Chief Executive Officer to make public this report (or any part thereof) at the appropriate time; and*
- (20) *for a further report be submitted to Council on the most suitable timetable to carry out these works.*

#### **BACKGROUND:**

This report;

1. details options for the future redevelopment of Leederville Oval into a “Football Centre of Excellence” and Loftus Centre land into a multi-use sports facility;
2. details options for the proposed redevelopment of Perth Oval, construction of a multi-purpose rectangular sports stadium and construction of 35,000m<sup>2</sup> of public open space;
3. details options for the construction of a State Indoor Multi-Use Sports Centre (Boutique Stadium) adjacent to the Loftus Centre (as a replacement for the Len Fletcher Pavilion);
4. details the construction and leasing of a new administration centre building for the Department of Sport and Recreation; and
5. details a future partnership between the Town of Vincent and the State Government of Western Australia to facilitate the above.

#### **STATE SPORTING FACILITIES PLAN 2001**

In June 2001, the State Government announced that it would carry out a State Sporting Facilities Plan and would consider the effects of the termination of the Multiplex agreement on sports that would have used the stadium. This report was presented to the Minister for Sport and Recreation on 19 October 2001.

The State Sporting Facilities Plan (SSFP) is an initiative of the Western Australian Government, developed by the Department of Sport and Recreation in consultation with industry stakeholders.

The SSFP is a guiding document for the sport and recreation industry in the pursuit of quality facility provision. The plan provides a strategic and systematic approach for the future development of Western Australia’s sporting infrastructure at the national and international level based on community needs and sustainability. The concepts of joint provision and shared use are embraced in all aspects of facility development, inclusive of planning, functionality and on-going management.

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The Government has identified four essential criteria that projects will be required to meet prior to seeking State funding for the development of a major sporting facility in Western Australia. Projects must;

1. establish a strong business case;
2. demonstrate best value to the community;
3. be capable of hosting national and international events; and
4. support the development of high performance sport.

The report includes details of a Stadium Hierarchy Model (SHM) which is a concept introduced by the Department of Sport and Recreation in response to the increasing rationalisation of facilities and access requirements for sports. The concept will be continually developed, and will influence Western Australia's approach to the future provision of stadia.

The SHM is based on the need to have a flexible hierarchy of sustainable, multi-purpose facilities with differing seating capacities plus sporting infrastructure – i.e. corporate and media boxes, catering facilities, to support existing and potential participation in a variety of sports within a community.

### Stadium Hierarchy Model (SHM) Considerations

The SHM presented in The Framework indicates that there are three critical gaps emerging in regard to stadia provision in Western Australia, particularly Perth. These gaps are not to be confused with sport specific needs. These are;

1. Rectangular Stadium (10,000 – 19,999 seating capacity);
2. Indoor Events Stadium (5,000 – 9,999 seating capacity);
3. Indoor Multi-Purpose “Boutique Stadium” (0-1,499 seating capacity).

Detailed below is the SHM as it will apply to Western Australia;

Category	WA Venue(s)	Seating Capacity	Key Users
35,000 - 49,999	Subiaco Oval	43,000	Football, cricket, soccer, rugby, major community events
20,000 - 34,999	WACA	28,000	Cricket, rugby, soccer, major community events
10,000 – 19,999	<b>Identified gap</b>		
5,000 – 9,999	<b>Identified gap</b>		
3,000 – 4,999	Challenge Stadium	4,500 (dry)	Netball, basketball, regional/state indoor events for 2 <sup>nd</sup> tier sports
1,500 – 2,999	State Equestrian Centre	2,000	Equine, BMX, community events
	Midvale Speed Dome	1,600	Roller sports, cycling, weightlifting
0 – 1,499	<b>Identified gap</b>		

### Priority Projects

The following projects are either aligned to Government policy, or have been identified in the consultation process. They have progressed through the planning, concept and feasibility stages of project development. The total estimated project cost is an initial valuation, and the funding mix is subject to negotiations with potential partners/providers of the facility.

Proposed Projects (*Govt Policy)	Synopsis and Partnership Identification	Total Estimated Project Cost
*Athletics (Principal Facility)	Can be located at either Curtin University or AK Reserve. The Town of Cambridge are currently considering the provision of a regional or State level facility.	6,000,000
*Athletics (Joondalup)	Develop a regional Athletics facility in the northern corridor in liaison with WASCT or other potential partners.	1,500,000
*Athletics (Cockburn)	Develop in liaison with the City of Cockburn a regional Athletic facility at the Thompson Lakes site.	1,500,000
Baseball	Establish a national standard community baseball stadium at Tom Bateman Reserve, Gosnells. Provision will be in partnership with the City of Gosnells.	2,600,000
Basketball, Rugby Union	The Town of Cambridge post re-zoning of Perry Lakes precinct will provide replacement facilities.	<i>Not available at this time.</i>
Indoor Multi-Purpose "Boutique" Stadium	Develop in liaison with the <u>Town of Vincent</u> a multi-purpose indoor stadium (1,500 capacity) for many 2 <sup>nd</sup> tier sports to showcase events and utilise for training purposes. <b>(Identified in SHM.)</b>	3,000,000
*Rectangular Stadium	In partnership with the <u>Town of Vincent</u> , develop Perth Oval for soccer, rugby and other significant events. <b>(Identified in SHM.)</b>	11,800,000
<b>Refurbishments:</b>		
Athletics (Ern Clarke Reserve, Cannington)	This is the refurbishment of an existing facility.	1,000,000
Leederville Oval	In partnership with the <u>Town of Vincent</u> to redevelop Leederville to accommodate WAFL and other significant events and regular users.	3,400,000
Softball	Support the upgrade of Mirrabooka to accommodate a 2002 international event and future national championships.	54,000

### LEEDERVILLE OVAL – PROPOSED PARTNERSHIP PROPOSAL

The proposed partnership proposal includes the following;

1. redevelopment and upgrade of Leederville Oval for use as a West Australian Football League "Centre of Excellence" and for the co-location of East Perth Football Club and Subiaco Football Club clubrooms and home ground;
2. the construction of a 2-3 level office building on Vincent Street frontage (near the main gates to the Oval) by the Town of Vincent and for these to be leased on a long term basis (25 years) to the Department of Sport and Recreation;

3. the construction of a State Indoor Multi-Use Sports Centre (Boutique Stadium), administration offices and underground carpark, new carpark adjoining the Margaret Pre-School land, for use by 13 sports; and
4. creation of approximately 10,650m<sup>2</sup> of public open space between the Oval and the Loftus Centre site.

### **Land Details**

Leederville Oval is a C-Class Reserve, located on Reserve 3839. In a notice published in the Government Gazette on 6 July 1900, the Governor gazetted that "...Reserve 3839 (*"Park Lands," Leederville*) should vest in and be held by the Council and Burgesses of the Town of Leederville."

A subsequent Vesting Order dated 16 February 1988 issued to the City of Perth vests the land in trust for the purposes of "*Recreation*". That Vesting Order was superseded on 19 July 1994 by a current Order vesting the land for the purposes of "*Recreation and Child Care Centre*".

The Vesting Order gives the Town of Vincent "...power, subject to the approval in writing of the Minister for Lands to each and every lease or assignment of lease first being obtained, to lease the whole or any portion thereof for any term not exceeding twenty one (21) years from the date of the lease."

Therefore, any lease that the Council may resolve to enter into will first require the approval of the Minister for Planning and Infrastructure and the Minister of Lands.

Leederville Oval has been used as a football ground since 1915 as a home ground for the West Perth Football Club. It has therefore been used as an Australian Rules Football venue for almost 84 years.

The current grandstand was opened in 1959 and is of similar vintage to grandstands on Perth Oval and Lathlain Oval. West Perth Football Club vacated the premises in 1994 and relocated to new premises in Joondalup.

### **Current Use of Leederville Oval:**

PGSC have been using Leederville Oval on a monthly tenancy since December 1999 at a cost of \$25,000 per annum (plus outgoings). As they currently play their National Soccer League Games at Perth Oval, under a sub-licence agreement they have permitted East Perth Football Club to use Leederville Oval to hold their West Australian Football League games.

The future use of Leederville Oval has been under review since 1998 and the subject of a number of previous reports. In 1999 the Council considered the proposal by PGSC to construct a temporary stadium. This did not eventuate, as the previous State Government preferred the construction of a new stadium elsewhere. This proposal has not eventuated and the stadium will not be built in the Perth Central Business District.

### **1. JOINT USE OF LEEDERVILLE OVAL BY EPFC AND SFC FOR CLUBROOMS AND WAFL "FOOTBALL CENTRE OF EXCELLENCE"**

This proposal will involve the redevelopment and upgrade of Leederville Oval for use as a West Australian Football League venue and for the co-location of East Perth Football Club and Subiaco Football Club clubrooms and home ground. The area around the Oval will be reduced, in order to provide public open space. West Australian Football League games attract crowds of approximately 1,500-2,000 average. The new Leederville Oval will have a capacity of up to 13,000 spectators, which would be more than adequate for football use.

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It is proposed that a working group comprising Town of Vincent officers, representatives of EPFC, SFC and, if required, West Australian Football League and Department of Sport and Recreation, be established.

Both EPFC and SFC will have exclusive use of their own offices, clubroom, boardroom, gym and the like and shared use of function room, kitchen, ground, bars, etc.

A Joint Management Committee would be created to jointly manage the common areas. This will be included into the lease. It is envisaged the Town would retain control over the common area.

SFC have indicated that they have sufficient funds to construct their own facilities, and this can be accommodated on the northern end of the current grandstand.

SFC would also negotiate "relocation funds" from the WAFC and monies may be available for this, e.g. West Perth Football Club received \$375,000 to relocate to Joondalup.

The opportunity to jointly use Leederville Oval by EPFC and SFC has arisen for the following reasons;

1. EPFC have not signed a lease for Perth Oval – they had requested a longer term and have not responded to the Town for financial upgrade of the premises. The Town's legal advice confirms that EPFC are tenants of Perth Oval, on a monthly basis.
2. SFC are required to relocate from Subiaco Oval by 2011 and have commenced a plan to investigate options. They are currently looking at five sites (including Leederville Oval) and have held preliminary discussions. Their preferred choice is Leederville Oval.

#### **Leederville Oval Joint Tenancy Proposal**

In order to facilitate discussions, the following has been offered to East Perth Football Club and Subiaco Football Club, subject to the final approval by the Council and Minister for Sport and Recreation;

1. Lease
    - 1.1 *Term - 21 years.*
    - 1.2 *Joint tenancy arrangement with exclusive use of own office, clubroom, bars, boardroom, gymnasium and the like, and shared use of the function room, kitchen, carpark and Oval – to be mutually agreed between both Clubs and the Town. Both Clubs to be treated equally.*
    - 1.3 *It is envisaged the lease would contain provisions for Joint Management Committees, comprising members of both Clubs to manage the common areas, ground and the like.*
    - 1.4 *The carpark behind the grandstand to be available to football club staff and members. To be also used by the public, if available, when not required by the Clubs.*
-

1.5 Rent - \$5,200 per annum, indexed to CPI (shared equally by both lessees). Rent reviews every five years, however these to be no greater than CPI.

1.6 Outgoings – to be paid equally by the lessees. The costs for 2000-2001 were;

Electricity	\$ 7,900
Building Insurance	\$ 3,725
Water and Sewage	\$ 2,600
Gas	\$ 275
Rates and Taxes	Nil
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Total	\$14,500
	=====

1.7 Ground maintenance cost (e.g. mowing, watering, etc) by the lessees (currently approximately \$50,000 per year, using travelling irrigator sprinklers) – this is estimated to reduce to \$15,000-\$20,000 once the Council installs the in-ground reticulation. Note: This cost does not include post game cleaning. The cost to be shared equally between both Clubs.

2. Ground and Infrastructure Maintenance

The Town will maintain the grounds and infrastructure on a cost recovery basis to be agreed by all parties (if required).

3. Infrastructure

Common Areas, Grounds and Carparks

3.1 Upgrade and refurbishment of the infrastructure using the Town's Leederville Oval Reserve Fund, up to an amount of \$1.0 million. The infrastructure upgrade will include refurbishment to the existing grandstand structures, fixtures and fittings and carpark. The approval of the Department of Sport and Recreation to use this money is also required.

East Perth Football Club Clubrooms

3.2 (a) The Town will provide/construct facilities for exclusive use by East Perth Football Club (such as office, clubroom, bar, boardroom, gymnasium and the like) and will ensure that the facilities are of a modern standard.

It is envisaged that this will entail a fit-out of a portion of the Len Roper Stand as shown in Concept Plans sent to East Perth Football Club on 7 August 2001, for office purposes. This infrastructure would obviously need to be costed and funded out of the Leederville Oval Reserve fund and would be subject to satisfactory negotiations between all parties.

(b) East Perth Football Club will be responsible for providing their own furniture and equipment.

(c) The Town will pay removal costs of East Perth Football Club furniture, equipment and memorabilia (including "Charlies Tree" if required).

Subiaco Football Club Clubrooms

- 3.3 (a) *The Town will provide/construct facilities for exclusive use by Subiaco Football Club (such as office, clubroom, bar, boardroom, gymnasium and the like) and will ensure that the facilities are of a modern standard. This infrastructure would obviously need to be costed. Proposed funding as follows;*

<i>State Govt/CSRFF Grant</i>	<i>TOV</i>	<i>SFC/WAFL/ WAFC</i>
<i>\$250,000</i>	<i>\$250,000</i>	<i>\$250,000</i>

*It is envisaged that a new clubroom facility will be constructed on the northern end of the existing grandstand - however, this would obviously be the subject of negotiations to meet the needs of Subiaco Football Club.*

- (b) *Subiaco Football Club will be responsible for their own furniture and equipment.*
- (c) *Subiaco Football Club will be responsible for their own relocation costs of furniture, equipment and memorabilia.*

Grounds

- 3.4 *The Town to provide a new submersible bore and in-ground reticulation of the grassed area. Estimated to cost \$100,000.*

Ground Lights

- 3.5 *The Town will contribute to upgrade of existing training lights and installation of two additional light towers and grandstand lights to 800-1,200 LUX (subject to negotiations), estimated to cost \$300,000 - subject to confirmation.*

*These lights to be costed and funded as follows;*

<i>State Govt/CSRFF Grant</i>	<i>TOV</i>	<i>WAFL/WAFC/ EPFC/SFC</i>
<i>\$100,000</i>	<i>\$100,000</i>	<i>\$100,000</i>

Carpark - Rear of Grandstand

- 3.6 *Upgrade of carpark and including security lighting - this to be controlled by the Town who will be responsible for future cleaning and maintenance of carpark and associated fittings. Estimated to cost \$60,000.*

4. Public Open Space

*It is envisaged that an area of 10-12 metres outside the perimeter of the Oval and between the Loftus Centre, Child Care Centre and Vincent Street will be created into public open space, including walkways, park furniture and lighting - the Oval perimeter will contain stepped seating and retaining walls and an appropriate, decorative fence for security. The Town will consider the construction of an additional 60 bay carpark in the North East corner of the Oval - near the Recreation Centre. This land and carpark will be maintained by the Council. Estimated to cost \$850,000.*

5. Alternative Training Ground

*The Town will make available one of the Town's Reserves for Colts football training purposes, (e.g. Les Lillyman Reserve, Beatty Park Reserve or Britannia Oval Reserve). These Reserves contain change rooms and lights.*

6. Night Games

*Approval to use Leederville Oval for up to 20 night games per year, subject to the games concluding by 9.30pm and lights not to be illuminated after 10.00pm.*

7. Signage

*Appropriate sponsorship signage will be favourably considered by the Council.*

8. Ancillary Benefits

8.1 *Use of the Town's Beatty Park Leisure Centre facilities by footballers, subject to agreement by both parties.*

8.2 *Use of Loftus Centre carpark (currently 375 bays) on match days.*

9. Town of Vincent Support

*The Town positively encourages sporting organisations to be a part of the Vincent community and will provide assistance wherever possible.*

### **Responses Received**

#### **Subiaco Football Club (SFC)**

SFC have provided a letter dated 9 October 2001 advising of the following;

*"In principle, the Subiaco Football Club (Inc) strongly supports the Concept Plan put forward by the Department of Sport and Recreation – also attached – and as such would be prepared to enter into a joint tenancy proposal.*

*Our "in-principle" agreement is subject to the following conditions:-*

1. *That both Clubs are to be equal tenants.*
2. *That the financial considerations are in accordance with the funding arrangements as outlined in the Department of Sport and Recreation's Concept Plan.*
3. *That, notwithstanding the strong recommendation of the Board and Management, the final decision lies with the membership, this being a constitutional consideration.*
4. *That East Perth Football Club is also committed to the Concept Plan."*

#### **East Perth Football Club (EPFC)**

Several discussions have been held with the President and General Manager of EPFC and a letter of offer to consider the Leederville Oval option has been sent. A concept plan of Leederville Oval Grandstand was prepared. On 2 October 2001, a meeting was arranged by the Department of Sport and Recreation and attended by EPFC, SFC, WAFL, the Town of Vincent and the concept of a "Football Centre of Excellence" was outlined. EPFC and SFC indicated they would respond to the Town by 15 October 2001.

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EPFC advised in a letter dated 12 October 2001 that it was their preferred position to remain at Perth Oval. During discussion, EPFC acknowledged the high costs to refurbish and that they did not have the necessary monies. They also acknowledged the Town alone does not have these funds.

As a result of several telephone discussions, it is pleasing to note that on late Friday 26 October 2001 a letter was received from EPFC advising that *"EPFC is prepared to put an in-principle agreement regarding a joint tenancy proposal for Leederville Oval, to our members at a special meeting subject to the following conditions being approved in writing by the Town."* (- a total of 23 conditions).

Due to the legal requirement of issuing the Agenda, insufficient time prevented the full consideration of EPFC's requests. This matter will be considered and further details will be provided for the Council's consideration.

#### **WEST AUSTRALIAN FOOTBALL LEAGUE (WAFL)**

Mr G. Dorrington, General Manager of the WAFL attended a meeting on 2 October 2001. He was very supportive and enthusiastic about the proposal.

#### **WEST AUSTRALIAN FOOTBALL COMMISSION (WAFC)**

A discussion has been held with the former CEO of WAFC. He has advised that the matter of leases is for the Town to determine. Furthermore, the WAFC are not in a financial position to contribute to the upgrade of the Ovals.

#### **ADVANTAGES AND DISADVANTAGES – JOINT LEASE OF LEEDERVILLE OVAL BY EPFC AND SFC AS A FOOTBALL CENTRE OF EXCELLENCE**

The following are the major advantages and disadvantages;

##### Advantages/Benefits

1. The redevelopment will have minimal impact on the ratepayer and residents around Leederville Oval.
  2. Cost is realistic and achievable.
  3. Needs of the WAFL patrons are greatly improved.
  4. Venue will be used to maximum potential as a regional facility (currently training only) for WAFL.
  5. Asset improvement by upgrading a facility which requires significant maintenance expenditure.
  6. Additional patronage to Leederville businesses.
  7. The redevelopment of Leederville Oval is predicted to have some beneficial impact on the Town. In particular, the Leederville business community will receive pre and post-game patronage (up to 2,000-3,000 visitors each game) at least 20-24 times each year – also patronage mid-week will occur.
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8. Leederville parking will be improved - Leederville business community/Central TAFE Leederville Campus and Distance Education Centre will have access to 100 additional carparking bays when not required on match days.
9. Approximately 15,550m<sup>2</sup> of land will be made accessible to the public. This comprises;
  - Existing carpark 3,200m<sup>2</sup>
  - Proposed carpark. 1,700m<sup>2</sup>
  - Proposed public open space and paths 10,650m<sup>2</sup> approx
10. An additional 60 new carbays will be available for the use by the Loftus Recreation Centre, TAFE students and public. In addition, approximately 120 angle car bays will be constructed on the south side of Richmond Street.
11. Venue is ideally located to public transport and access – Leederville Railway Station is within 450m, Mitchell Freeway 100m, major roads – Vincent, Oxford and Loftus Streets.
12. Heritage of Leederville Oval (as an Australian Rules Football venue) will be preserved.
13. Two training light towers already installed and operational – therefore a cost saving. Two more light towers can be erected for night games – giving greater flexibility to the WAFL and Clubs.
14. Playing surface of Leederville Oval is currently in excellent condition.
15. The venue can be used as a main WAFL ground and home ground for EPFC and SFC. Two separate venues will not be required. Therefore, a cost saving to the Town and the wider community.
16. Minimal impact on the amenity of the area on match days due to noise, traffic and parking congestion. Therefore, addressing most (if not all) of the concerns of the ratepayers and residents living in close proximity to the Oval.
17. Subiaco Oval will be available for better use by the WAFC.
18. The viability of Leederville Oval as a sporting facility will be assured in the longer term.

#### Disadvantages

1. If the redevelopment of Leederville Oval does not proceed, it is probably that considerable reserve funds will have to be used to maintain a facility without a determined future use.
2. **PROPOSED STATE INDOOR MULTI-PURPOSE SPORTS CENTRE (BOUTIQUE STADIUM)**

As part of the State Sporting Facilities Plan, the Department of Sport and Recreation has indicated a need to construct a State Indoor Multi-Use Sports Centre (Boutique Stadium) which would possibly include administration offices and the following sports;

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- |                          |                   |
|--------------------------|-------------------|
| 1. Billiards and Snooker | 9. Judo           |
| 2. Bowls                 | 10. Karate        |
| 3. Boxing                | 11. Powerlifting  |
| 4. Dancesport            | 12. Squash        |
| 5. Eight ball            | 13. Table Tennis  |
| 6. Fencing               | 14. Taekwondo     |
| 7. Gymnastics            | 15. Volleyball    |
| 8. Jishukanryub          | 16. Weightlifting |
|                          | 17. Callisthenics |

The Town has investigated the possible location of this proposed centre on the area currently used by the outdoor soccer sports in the Loftus Recreation Centre. The proposed building would be a large sports facility of approximately 75 metres long and 45 metres wide and have the capacity to host the above sports events. It is envisaged that it would have a seating capacity of approximately 1,500 spectators.

This site would require the construction of a basement carpark which would accommodate approximately 100 vehicles. Approximately 60 carbays would be lost due to the reconfiguration of the carpark, however an additional 100 underground carbays will result in a net gain of 40 carbays for the site.

The existing outdoor soccer ground could be constructed on vacant land to the east of the Centre. This would require further investigation.

#### **Len Fletcher Pavilion Replacement**

At the Council Meeting held on 21 November 2000, the Council resolved inter-alia to authorise the Chief Executive Officer to;

- “(a) further investigate the concept plan and subdivision (Smith’s Lake);*
- (b) negotiate with the Water Corporation of Western Australia concerning the extension to the lake, financial contribution to the implementation of the plan, and compensation for the removal of Len Fletcher Pavilion;*
- (c) identify the demand and needs of residents of the Town for a gymnastics facility within the Town;*
- (d) investigate options that would satisfy local demand and needs for a gymnastics facility;*
- (e) receive a further report on the details of (ii) (c) & (d) before July 2001; and*
- (f) liaise/lobby with the Minister for Sport to achieve the medium and long-term goals of the WA Gymnastics Association (in liaison with the Mayor).”*

In the event that this State Indoor Multi-Use Sports Centre is constructed, it will replace the Len Fletcher Pavilion. Gymnastics WA could relocate to the new State Centre, thereby remaining within the Town of Vincent. The demolition of the Len Fletcher Pavilion should therefore not occur until the new facility is constructed.

#### **Gymnastics**

As requested by Council at its Meeting of 21 November 2000 (Clauses (c), (d) and (e)), Town of Vincent staff undertook to identify the demands and needs of residents of the Town for a gymnastics facility within the Town and investigate options that would satisfy local demand and needs for a gymnastics facility.

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It is acknowledged that this report was to be presented in July 2001, however due to the uncertainty of the outcome for proposals for Leederville Oval and the possible involvement of gymnastics in the new indoor centre, it was deemed not to be appropriate to present the report until the Department of Sport and Recreation had determined their position.

The Len Fletcher Pavilion is leased by Gymnastics Western Australia (WA) until the end of January 2002.

Gymnastics WA (formally the Western Australian Gymnastics Association) caters for the needs of over sixty (60) affiliated Clubs and seven thousand (7000) gymnasts throughout the State of Western Australia, with fifty percent (50%) of these Clubs and seventy percent (70%) of participants located within the metropolitan area.

Elite training for gymnastics is conducted at Challenge Stadium for both men's and woman's artistic gymnastics, with rhythmic gymnastics training at Montgomery Hall in Claremont. Sports aerobics is based at Morley Recreation Centre, and will host most competitions except State and higher championships.

Gymnastics WA require a competitive venue for men's and woman's artistic gymnastics and rhythmic gymnastics, which would be a multi-purpose facility capable of servicing the community's needs in order to maximise revenue potential. Gymnastics WA have approached Aranmore Catholic College about a joint venture in regards to building a Multi Sport Gymnastics Centre within the Town of Vincent. However, this is at a preliminary stage.

Currently, the Starmite Gymnastics Club is hiring the majority of the facility. Starmite Gymnastics estimate that they will have close to two hundred (200) participants using the facility on a weekly basis by the end of term. Eighty percent (80%) of the participants are based within the Town of Vincent.

The participation rate of the Centre is as follows:

Number of users		Age Group
	37	18 months – 2 years
	41	3 - 5 years
	70	6years
	33	7 - 8years
<b>TOTAL PER WEEK</b>	<b>181</b>	
<b>TOTAL PER MONTH</b>	<b>724</b>	

In addition, the Club has started to attract school groups on a regular basis and other regular groups, which cater for those seeking a non-competitive sporting recreational activity.

Gymnastics WA has also had thirty (30) events per year, which cater for between fifty (50) and three hundred (300) participants on each occasion.

Currently there are twenty one (21) Gymnastic Clubs based throughout the metro area. In a five (5) kilometre radius of the Town of Vincent's boundaries there are five (5) clubs based in various suburbs. The size of these clubs vary considerably with some catering only for only junior modified gymnastics to a permanently set up gymnastic facility catering for more elite gymnasts. The five Gymnastic Clubs that are based in the five (5) kilometre radius are:

1. Gymbus  
1/5 Collingwood Street  
OSBORNE PARK 6017
2. Morley PCYC RG  
23 Chambers Way  
NORANDA WA 6062
3. Subiaco PCYC  
450 Rokeby Road  
SUBIACO 6008
4. Vital Gym and Sports  
Unit 2/3 Collingwood Street  
OSBORNE PARK 6017
5. Scarborough PCYC  
173 Gildercliffe Street  
SCARBOROUGH WA 6019

Note:

Northern Districts Gymnastics Club Inc  
U 3/ 10 Stretton Place  
BALCATTWA WA 6021  
(Is based outside of the 5km radius)

Northern Districts Gymnastics Club is based outside the five (5) kilometre radius but also caters for Town of Vincent Residents. The Northern Districts Gymnastics Club is located in Balcatta and is a non –profit organisation run by volunteers. The facility is a warehouse that has been customised to cater for gymnastics training. The cost of setting up the centre with equipment was estimated to be one hundred and fifty thousand dollars (\$150,000). The Club has three hundred and eighty (380) members and is looking at the possibility of relocating to a larger warehouse in Balcatta so it can increase its membership to four hundred and fifty plus (450+) and also allow for spectators to view the gymnastics.

From the findings submitted there are no suitable premises capable of servicing WA Gymnastics needs. The availability of alternative facilities suitable for Gymnastics WA is limited, at present there is a strong community demand for a Gymnastics facility within the Town.

The Gymnastics Clubs based five kilometres outside the Town's boundaries do provide a service for Town of Vincent residents, however many of these facilities are operating at maximum capacity and would not be able to cater for the influx of new members after Gymnastics WA lease expires at Len Fletcher Reserve in January 2002.

Currently, seven hundred and twenty four (724) people utilise Len Fletcher Pavilion per month, which equates to eight thousand six hundred and eighty eight (8,688) people using Len Fletcher Pavilion each year. If a new multi purpose facility was built within the Town's boundaries, this number would substantially increase and could treble.

**Summary**

The construction of a State Indoor Multi-Use Sports Centre (Boutique Stadium) has been identified as a high priority by the Department of Sport and Recreation. Negotiations with all other sports groups would be required and this would primarily be carried out by the Department of Sport and Recreation.

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The integration of this Centre into the Loftus Community Centre and Loftus Recreation Centre would be investigated. Benefits and cost savings would be achieved by joint use of shared facilities (e.g. carparking, toilets, meeting rooms, creches). The Town of Vincent would construct this Centre. The management and/or leasing of this Centre would need to be negotiated.

**3. LOFTUS COMMUNITY CENTRE – POSSIBLE FUTURE EXTENSION**

This proposal would allow for future extension to the Loftus Community Centre and/or alteration to the Loftus Recreation Centre. No discussions have been held with the Centre, however it is noted that the Centre has previously requested an extension to their area. This would be examined as part of the redevelopment proposal.

**4. PROPOSED OFFICES FOR THE DEPARTMENT OF SPORT AND RECREATION**

The Department of Sport and Recreation comprises of approximately 114 employees and is currently located in the Perry Lakes Stadium building, Floreat. Perry Lakes is currently being examined due to its rundown condition and large financial cost for its upgrade. Perry Lakes Stadium will most likely be demolished and a new State Athletics facility constructed on another site. When this occurs, it will be necessary for the Department of Sport and Recreation to relocate to alternative premises.

Senior officers of the Department have expressed an interest in relocating to a new office building, which could be constructed on the Leederville Oval land.

This building would need to be approximately 2,000m<sup>2</sup> with sufficient staff and visitor parking. Conceptually, a two-three storey building with basement carparking could be constructed on the Vincent Street frontage near the current main entrance, with views onto the Oval. In addition, facilities provided in the proposed redevelopment (e.g. meeting rooms, function rooms and the like) can be jointly used.

The construction and leasing of the office building for use by the Department of Sport and Recreation should be considered as an integral part of this whole proposal. As the Town's involvement and contribution is significant, the Council should insist that this building must proceed.

**Advantages**

1. The Department will be provided with modern, efficient and centrally located accommodation.
2. The Department will be located on a multi-sports facility site.
3. The Department will be more centrally located for their clients/visitors.
4. The Department staff will provide additional patronage to the Oxford Centre businesses.
5. The site is more suitably located to public transport than its current location at Perry Lakes, e.g. train, buses, freeway.

**5. LEEDERVILLE CHILD CARE CENTRE**

To optimise the area, it may be necessary to slightly modify the boundary with the Leederville Child Care Centre. The accessway between the Centre and the Loftus Recreation Centre can be widened and used as a major accessway to the proposed public open space. This will not only improve access but will also reduce the potential for crime and make better use of the land.

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The CEO has held a preliminary discussion with the Centre management and a letter has also been received. A modification to the lease area, to include approximately 450m<sup>2</sup> of land between the Centre and the TOV Administration Building can be formalised. Also the Town could pay for a new fence, reticulation and the like.

#### 6. SCHOOL OF ISOLATED AND DISTANT EDUCATION

Brief discussions has revealed that they are interested in formalising reciprocal parking arrangements for the use of the western most carpark.

#### 7. LEEDERVILLE TAFE AND MARGARET PRE-SCHOOL

No discussions have been held with TAFE and Margaret Pre-School at the time of writing this report. There is the potential to lease surplus carparking bays to the TAFE and this will be explored.

### **PARTNERSHIP OPTION - PERTH OVAL – PROPOSED REDEVELOPMENT AND CONSTRUCTION OF A MULTI-PURPOSE RECTANGULAR SPORTS STADIUM, CREATION OF PUBLIC OPEN SPACE**

The State Sporting Facilities Plan has identified the need for a rectangular sports stadium as a high priority.

#### **Land Details**

Perth Oval is an A Class Reserve, bounded by Lord, Bulwer, Pier and Brewer Streets, Perth.

The A Class Reserve is owned freehold by the Town and comprises of a number of separate titles. It has a trust deed which requires the land to be used for “*recreation purposes*”. The total area being 74,691.3 square metres, of which 5,551.7 square metres is under a separate lease of the Loton Park Tennis Club.

#### **Redevelopment Proposal**

A Redevelopment Proposal could include;

- Provision of new grassed banks to the Southern and Northern ends of the pitch above the cross aisle that traverses the entire pitch at the same level. Concrete terraces which provide seating and standing areas below the cross aisle.
- Upgrade of the existing gates and construction of two new entrance gates on the north-west corner and south of the Oval.
- Construction of Stage 1 of a permanent Eastern Grandstand seating for approximately 3,400 patrons with all patrons under roof cover and including corporate boxes, toilets and concessions.
- The stadium to have a capacity of 19,500 with seating in Stage 1 for approximately 15,500, as shown below;

-	New Eastern Grandstand (incl corporate boxes)	3,400 seats (covered)
-	Existing Grandstand	1,600 seats (covered)
-	Lower tiered seating (below cross aisle)	7,500 seats
-	Glory Temporary Stands	3,000 seats
-	Standing	4,000
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	Stage 1 Total Capacity	19,500

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- Non-structural upgrade of the existing Grandstand, facilities and services.
- Establishment of additional toilet facilities to cater for 19,500 patrons.
- Installation of “state of the art” floodlighting to 1200 lux.
- Establishment of a fixed irrigation system and an upgrade of the existing ground water bores.
- Establishment of temporary food, drink and merchandise concessions for the convenience of the spectators.
- Major upgrades to the existing venue to facilitate pedestrian circulation in terms of new stairs, ramps, retaining walls, emergency lighting, ease of public access to toilets and concessions, etc.
- Upgrade of the existing internal pedestrian circulation to facilitate both ingress and egress to the venue, ensuring ease of access for disabled persons. Lifts are planned to be incorporated into the existing Grandstand as well as the new Grandstand.
- Establishment of a half sized training pitch behind the eastern Grandstand.
- The creation of new on street carbays for approximately 40 cars in Pier Street and 67 bays in Brewer Street.
- The creation of approximately 35,000m<sup>2</sup> of new public open space surrounding the multi-purpose rectangular sports stadium.

This proposed public open space would require to be named and a possible suggestion is that it be called "Loton Park", in honour of the original landowner. (Loton Park Tennis Club is also adjacent.)

### **Management Options – Proposed Stadium**

As the proposed stadium will be jointly funded by the State Government and the Town of Vincent, it would be appropriate to explore options for the future management of the stadium. (For example, a Board comprising of Town of Vincent Elected Members, Senior Staff, State Government of WA representative and lessee representatives.) A further report will need to be submitted to the Council.

### **Current Condition**

The former lease required the lessee (East Perth Football Club) to be responsible for all maintenance and repairs and to ensure that the premises comply in regard to structural matters (such as electrical, drainage, water service, lift). Clause 4(c) states the following;

*“(c) To keep and maintain every part of the premises and all buildings and additions thereto and all lighting and electrical installations and all drainage and all other fixtures and fittings in good repair to a standard acceptable to the Lessor and to paint all such parts of the interior and exterior of the premises as are now painted or are usually painted at such times and in accordance with the directions of the Building Surveyor of the lessor”.*

The substandard condition of Perth Oval and the very high cost required to upgrade the premises, is of major concern to the Chief Executive Officer and the Town’s Senior Officers.

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Furthermore, it is of concern that the current lessee East Perth Football Club, who have been tenants at Perth Oval since 1905, have failed to comply with their lease obligations to maintain the premises in a satisfactory condition. It is also an indictment on the former City of Perth for failing to enforce the lease conditions and to upgrade and maintain the premises in a reasonable condition, as it was identified in the early 1980's that the premises were in a deteriorated condition.

The lack of action by the East Perth Football Club and former City of Perth have left a major liability and financial burden on the Town.

The Town has incurred the following expenditure at Perth Oval:

**Perth Oval Expenditure (excl. depreciation)**

	<b>1995/96</b>	<b>1996/97</b>	<b>1997/98</b>	<b>1998/99</b>	<b>1999/00</b>
General Maintenance		1,410	2,157	2,680	24,843
Building Insurance	4,862	4,835	3,433	3,153	3,025
Specific Maintenance			2,287	10,447	34,568
Grounds Maintenance	1,513	3,833	6,040	7,508	22,561
Heritage Conservation Plan				9,560	5,440
Insurance – Pumps/Bores			53	64	292
Hire of Temporary Toilets			3,579	2,429	
Legal Expenses					4,635
	<u>6,375</u>	<u>10,078</u>	<u>17,549</u>	<u>35,841</u>	<u>95,364</u>

A total of \$165,207 has been spent on Perth Oval since 1995/96.

The main items include;

<u>General Maintenance:</u>		(\$23,622)
Electrical Consultant Report	2,500	
Architect's Report	11,500	
Safety Barriers (to Hill bar area)	9,622	
<u>Specific Maintenance:</u>		(\$34,049)
RCD – Electrical (safety devices)	11,495	
Upgrade Locks	732	
Plumbing Upgrade	21,822	
<u>Grounds Maintenance:</u>		(\$22,561)
One Third Bore Contribution	7,250	
Tree Pruning	6,500	
Survey Site	4,000	
Miscellaneous, Engineering Works	4,811	

The Town is aware that the buildings are in a poor and unsatisfactory condition. An assessment carried out by Peter Hunt Architect on behalf of the Town in October 1999 revealed the following:

The total indicative cost to upgrade Perth Oval amounts to approximately **\$2,794,000**.

The above amount has the following Priority Rating breakdown;

<b>ITEM</b>	<b>URGENT</b>	<b>NECESSARY</b>	<b>DESIRABLE</b>	<b>TOTAL</b>
Buildings	127,050	595,100	269,495	<b>991,645</b>
Pavements	-	-	310,000	<b>310,000</b>
Fencing	-	-	1,500	<b>1,500</b>
Hydraulics	55,000	321,273	36,000	<b>412,273</b>
Electrical	145,000	135,000	130,000	<b>410,000</b>
Mechanical	72,000	81,000	161,000	<b>314,000</b>
Contingency	16,000	46,000	38,000	<b>100,000</b>
Consultant's Fees	42,000	118,000	94,000	<b>254,000</b>
<b>Totals</b>	<b>\$ 457,050</b>	<b>1,296,373</b>	<b>1,039,995</b>	<b>2,793,418</b>

**Exclusions:**

- Cost escalation to Tender
- Removal of hazardous material
- Rectification of damage caused by white ants
- Goods and Services Tax (10%)
- Work to North West Main Entry Gate, fence, ticket box.

**1. ENVIRONMENTAL HEALTH AND BUILDING CONSIDERATIONS****1.1 Building Requirements**

It will be necessary for detailed plans and specifications to be submitted for approval.

**1.2 Noise Control**

An Acoustic Consultants Report prepared by Gabriels Environmental Design – Environmental Consultant has been previously submitted.

The acoustic initiatives to manage noise emissions are acknowledged and supported.

**1.3 Health Act – Public Building Requirements**

The redevelopment will comply with all requirements for exits, safety and security.

**1.4 Risk Assessment and Management Planning**

The WA Police Service on behalf of the Emergency Services requires that when there are large public gatherings, both one-off and regular events, that the organisers prepare a comprehensive Risk Assessment and Management Plan. An outcome of this process is a venue specific emergency evacuation plan. As Perth Oval has been used for NSL games for 5 years, a Risk Assessment and Management Plan and Emergency Evacuation Plan has been prepared by PGSC and approved by the appropriate authorities.

**1.5 Toilet Facilities**

The provision of the necessary toilet facilities/fixtures to cater for 19,500 patrons in accordance with the relevant health and building requirements is acknowledged.

The 70 male/30 female gender ratio complies with the Building Code of Australia.

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Access for disabled patrons/spectators to be provided to toilet and other basic facilities.

The use of transportable facilities in the long term should not be permitted.

#### **1.6 Mechanical Services**

It is noted that all air conditioning in the existing grandstand should be upgraded.

#### **1.7 Food Handling Activities**

All food handling areas will be upgraded to meet current health standards.

#### **1.8 Smoke-Free Venue**

It is noted that Perth Glory receive sponsorship from Healthways and will promote a “smoke free” venue. This is expected to continue.

#### **1.9 Disability Access**

The Town of Vincent has previously prepared an access audit for Leederville Oval. It is noted that upgrade of the existing Grandstand requires the installation of a lift. The redevelopment proposal will address this audit plan.

### **2. PLANNING AND HERITAGE CONSIDERATIONS**

#### **2.1 Planning Approval**

Perth Oval is currently a Metropolitan Region Scheme Reserve – Parks and Recreation – Restricted Public Access. The proposed use of the Oval for either soccer, Australian Rules football, or any other sport, parks or recreational purposes are permitted uses under this reservation.

Should Council proceed with this proposal, further details of the redevelopment proposal, including detailed site plans, floor plans, elevations, overshadowing plans, lighting and noise impact study, traffic and parking impact study, conceptual schedule of finishes, conceptual landscaping plan will be required to be prepared and approved.

The redevelopment proposal including any change of use, signage, and/or change of access arrangements onto major roads, requires a Planning Approval. The planning application will need to be submitted to the Town who will provide its comments and recommendation to the Western Australian Planning Commission who then determines the application. Also, any structural works require a Building Licence, demolition a Demolition Licence and signage a Signage Licence.

#### **2.2 Heritage Significance/Conservation**

A thorough Heritage Assessment and Conservation Plan and has been carried out of Perth Oval and the Loton Park Tennis Club.

##### Perth Oval General

Perth Oval was listed on the State Register of Heritage Places on 2 September 1998. Entry on the Register is official recognition by the State of a place’s cultural significance to the heritage of Western Australia.

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A Conservation Plan was completed by Kelly Aris, Conservation Architect, in October 1999 and presented to the Town on 8 November 1999. The Conservation Plan includes sections on Documentary Evidence, Physical Evidence, Analysis of Documentary and Physical Evidence, Assessment of Significance, Statement of Significance, Conservation Policy and Policy Implementation.

The Statement of Significance, read in conjunction with the statement of significance of the Heritage Council Documentation for Entry in the Register of Heritage Places, lists the areas of cultural heritage significance for the Oval. These include the north-west entry gates, main grandstand and the place as a whole.

Any future development or works proposals to Perth Oval and the structures within it are required to take into account the policies detailed in the Conservation Plan and require approval from the Heritage Council of WA before works can proceed.

#### Perth Oval Main Gates

At the Council Meeting held on 24 October 2000, it was resolved inter alia;

*"That;*

- (iv) the Council considers, as part of the 2001/2002 Budget process, the allocation of \$130,000 (plus GST and any cost escalation) in the 2001/2002 Budget for the completion of medium term action works; and*
- (v) the Council considers, as part of the 2002/2003 Budget process, the allocation of \$180,000 (plus GST and any cost escalation) in the 2002/2003 Budget for the completion of long term action works and optional works."*

Immediate conservation works of the gates has been completed to a satisfactory level. The medium term works have commenced and will be completed in 2001/2002.

### **3. PARKING CONSIDERATIONS**

#### **3.1 Parking – On-Street and Carpark**

Preliminary investigations reveal that there would be adequate parking facilities in the vicinity of Perth Oval to cater for the estimated 19,500 spectators, even if some may have to walk between 0.5-1 kilometre.

Crowds of up to 18,500 have been experienced at Perth Oval on a number of occasions, without major difficulties in parking being experienced.

Sinclair Knight Merz Traffic Engineers have prepared preliminary information relating to parking and transport around Perth and Leederville Ovals.

#### **3.2 Strategy to Minimise Impact on Residential Areas**

It will be appropriate to formulate strategies to ensure maximum use of public transport and the impact of vehicles in the residential areas. This should be prepared in consultation with the residents.

At the Council Meeting held on 11 September 2001, it was resolved as follows;

*"That the Council APPROVES;*

- 1. (i) of the Residential Parking Zone (prepared by the Town in conjunction with Perth Glory Soccer Club (PGSC) and the Forrest Precinct Group) for the residential streets surrounding Perth Oval, as detailed in this report and as shown in Plan A4-1113-CP.01 between the hours of 4.00pm and 9.00pm on match days (currently Saturday evenings);*

- (ii) *the issuing of two residential parking permits per household within the Residential Parking Zone;*
  - (iii) *of the Chief Executive Officer being authorised to vary the extent of the Residential Parking Zone as required in order to improve the service to the ratepayers and residents of the area;*
  - (iv) *a cost of \$5.00 per vehicle using Brisbane Street carpark on match days;*
  - (v) *of the introduction of 104 carparking bays in the centre of Stirling Street between Parry and Brisbane Street, as shown in Plan A4-1115-CP.01 at an estimated cost of \$13,500, and a 2-hour parking time limit apply Monday to Friday between 8am – 5.30pm and 8am – 12noon Saturday; and*
  - (vi) *the purchase and installation of 75 large and 250 small Residential Parking Zone signs for the designated zone at an estimated cost of \$5,100; and*
2. *BY AN ABSOLUTE MAJORITY to fund the works in (v) and (vi) above from a source to be determined by the Chief Executive Officer.”*

Parking restrictions have been introduced into those streets identified by the Town and the Forrest Precinct Group supports this. A system (similar to that used at Subiaco Oval) is introduced whereby parking is prohibited on advertised match days unless a residents' parking permit is obtained.

The residential parking worked successfully at the first home game on 13 October 2001.

### **3.3 On Street Parking**

As part of the future redevelopment of Perth Oval, there is an opportunity to provide temporary on-street parking on the perimeter of Perth Oval, which could be used by both the general public and also the football patrons. Some of these parking bays are already used for parking on an informal basis and the construction of proper carbays would be required. This concept for additional off street parking has the potential to provide in excess of 100 bays and this would certainly be of benefit to the businesses surrounding the Oval.

### **3.4 Enforcement – Tow-away Provision**

With the change to night games at Perth Oval for the 2000-2001 season, the Town embarked on an advertising program to assist with parking. In addition, a “tow-away” provision was invoked by the Town's Rangers for vehicles parked in driveways and other inappropriate places. It is pleasing to note that no vehicles were required to be towed throughout the whole season. However, the tow-away strategy should be used for all future games.

## **4. ENGINEERING AND TRAFFIC CONSIDERATIONS**

### **4.1 Access Management Plan**

Traffic movement together with parking will have the largest impact on the area. An Access Management Plan has been prepared and approved by the relevant authorities (eg. Police Service, Department of Transport).

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#### **4.2 Traffic Movement**

The PGSC games played at Perth Oval to date have demonstrated the need for comprehensive pre and post game traffic management. In the first 4 years, the WA Police Service undertook this function.

Prior to the commencement of the 2000/01 season, PGSC were requested by the Police Service, with the support of the Town, to assume the responsibility for traffic management. An accredited Traffic Management contractor was engaged to prepare a Traffic Management Plan and to carry out the function at each home game. The alternative was for the Town to assume the responsibility, at the PGSC costs.

The use of a Traffic Management contractor has proved to be most successful with the added benefit of assisting Law & Order Services in maintaining orderly parking control. As the road closures and diversions are in place prior to the game, it allows less opportunity for late arrivals to attempt to park (illegally) near the entrances.

Therefore, it is recommended that PGSC and other future lessees be required to continue with the practice of engaging an accredited Traffic Management contractor to provide pre and post match traffic management. PGSC have agreed to this proposal.

#### **4.3 Public Transport**

The need to create a greater awareness and use of public transport is well documented in Perth. In particular, the use of public transport for means of travel to sporting venues has many advantages. In this regard, the Town has liaised with PGSC. PGSC has agreed to provide the strategies and initiatives (as previously stated in this report for Leederville Oval) for implementation around Perth Oval.

#### **4.4 Possible Upgrade to Other Streets**

The possible upgrade of streets should be considered by the Town during the 2002-2003 Budget process.

It is considered appropriate to upgrade streets in close proximity to Perth Oval. The Town's Technical Services Officers will need to carry out a survey of streets, paths, lighting and ramps. This matter will need to be considered during the budget process 2002-2003.

The following are estimated costs;

<u>Other Streets</u>	<u>\$</u>
• Footpaths/Ramps for Disabled Persons	50,000
• Street lighting improvements	50,000
• Improvements to street signage and linemarking	10,000
	<u>110,000</u>

### **5. PARKS AND LANDSCAPING CONSIDERATIONS**

#### **5.1 Provision of Public Open Space**

The concept plans show that approximately 35,000m<sup>2</sup> of land around the Oval will be opened up to the public and will include;

- Provision of new grassed areas.
  - Upgrade of existing bores.
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- Installation of in-ground reticulation.
- Beautification of street frontages, including retention of existing significant trees.
- Landscaping of adjacent surrounds.
- Creation of new public open space, walkways and lighting
- Installation of park furniture (e.g. seats, fountains) and public art.

The opportunity to create this new public open space will enable the Town to expand its "Green Plan". This significant new park would require community consultation to obtain the maximum benefit for its design, selection of tree species/artwork and use.

The former Caretaker's House is available for other uses, or alternatively it can be demolished. This matter would require further investigation.

## 6. PUBLIC CONSULTATION

In view of the significance of both Ovals and the opportunity to involve the community in the proposals, it is recommended that community consultation be carried out. In addition, the CEO proposes to brief the following:

- **Community Groups/Precinct Groups**
- **Sporting Organisations**
  - Perth Glory Soccer Club
  - East Perth Football Club
  - Subiaco Football Club
  - Others (Rugby League, Rugby Union, Gaelic Football, Lacrosse Association, Gridiron Association, Soccer Associations)
- **Business Groups**
  - Leederville Businesses
  - Beaufort and Walcott Businesses
  - Northbridge Business and Community Association
- **Loftus Centre**
  - Loftus Community Centre
  - Leisure Co
  - MTM Physio
  - Loftus Play Group
- **Miscellaneous**
  - Leederville Child Care Centre
  - Margaret Pre-School
  - School of Isolated and Distance Education
  - TAFE
- **Department for Sport and Recreation**

### 6.1 Major Land Transaction

The redevelopment will make significant changes to Perth Oval and in accordance with Council's previous practice, it would be necessary for public consultation to be carried out. As this proposal will be a Major Land Transaction, as defined by Sections 3.58 and 3.59 of the Local Government Act, the Council will need to advertise its Business Plan for at least 6 weeks and consider any submissions at the end of this period. Any public consultation should be carried out during this period.

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It is suggested that a letterbox drop be carried out to all properties within a designated area, e.g. 500 metres radius of the Oval. In addition, it may also be appropriate to conduct public meetings.

## 6.2 Perth Oval – History of Complaints

The following details relate to Perth Oval and can be used as a guide for the number and type of complaints which could be expected;

Year	Average Attendance Per game	No. of Parking Infringements Issued	Average No. of Parking Infringements per game	No. of Complaints
1996/97	11,870	557	37	4 (2 Noise, 2 Litter)
1997/98	14,971	664	44	21 (all parking)
1998/99	15,066	394	26	33 (24 parking 6 litter 1 noise 2 general)
1999/00	10,065	475	32	45 (27 parking 9 litter 5 noise 2 alleged graffiti 1 alleged damage 1 inadequate street lighting)
2000/01 (night games)	13,094	480	34	37 (23 parking 5 litter 6 noise 3 inadequate street lighting)

The above information reveals that few actual complaints are received. This fact is in contrast to the public perception that the games cause major inconvenience and complaint.

The few complaints can be attributed to the diligent effort of the Town's Officers, (Rangers, EHOs) and the cooperation provided by PGSC.

## 6.3 Night Games

It is proposed to play at least 20 night games per year. At least 15 will be National Soccer League games and the others will be exhibition matches. In addition, a number of rugby games are envisaged. Council has approved of up to 20 night games per year and impose conditions, namely; all games to conclude by 9.30pm and for the floodlighting to be switched off by 10pm.

In mid-2000, PGSC installed four light towers and upgraded the electrical transformer at an estimated cost of \$450,000. The Town did not contribute to this and PGSC advised that the light towers and fittings remain their property and can be relocated in the event they move away from Perth Oval. These lights are 600 lux. These will need to be increased to 1000-1200 lux, if games are to be televised.

No complaints have been received concerning these lights. The DEP have advised that the "spill" light complies with Australian Standards.



## FINANCIAL/BUDGET CONSIDERATIONS

### Rent

The Town receives \$75,000 per year rent (\$5,000 per game) for NSL games at Perth Oval.

### Leederville Oval Reserve Fund

The Town received \$1 million on 30 April 1999 from the City of Perth, under the City of Perth Restructuring Act for the upgrade of Leederville Oval. A condition to this money requires the approval of the Department of Sport and Recreation and must be spent on Leederville Oval. At the time of writing this report, approximately \$1,103,400 is in Reserve. Approximately \$5,000 per month interest is being received. Therefore, approximately \$1,175,000 should be available at the end of the 2001-2002 financial year.

### Lease

At the Council Meeting held on 19 December 2000, it was resolved that;

*“That the Council;*

- (i) receives the report relating to the Perth Oval lease, sub-leases and future upgrade;*
  - (ii) APPROVES of a new five (5) year lease being granted to East Perth Football Club Inc (EPFC) from 1 January 2001, for the area shown on Plan A4-00-011 (attached as Appendix 10.4.8(a)), subject to satisfactory negotiations being carried out by the Chief Executive Officer;*
  - (iii) APPROVES of EPFC to hold a five (5) year sub-lease with Aspire Fitness WA for the use of the gymnasium and office at Perth Oval, as shown in Appendix 10.4.8(b), effective from 1 January 2001, subject to the final approval of the sub-lease by the Chief Executive Officer;*
  - (iv) APPROVES of EPFC to hold a five (5) year sub-lease with Lamberg Pty Ltd trading as Embassy Caterers for the use of the Perth Oval Function Hall premises, as shown on Appendix 10.4.8(c), effective from 1 January 2001, subject to the final approval of the sub-lease by the Chief Executive Officer;*
  - (v) authorises the Chief Executive Officer to;*
    - (a) write to and negotiate with the West Australian Football Commission and the Ministry for Sport & Recreation to determine the future use and financial contribution for the upgrade of Perth Oval;*
    - (b) submit an application for a Community Sport and Recreation Facility Fund (CSRFF) Grant to the West Australian Ministry of Sport and Recreation for the upgrade of Perth Oval, subject to the future use being determined;*
  - (vi) APPROVES of the Perth Oval Upgrade Program (for essential urgent repairs) over a period of five (5) years and authorises the Chief Executive Officer to;*
    - (a) negotiate the timing and any variation to the Perth Oval Upgrade Program;*
    - (b) review the upgrade program in the event that the Town successfully obtains a CSRFF grant; and*
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(vii) *refers the East Perth Football Club (Inc) to the Hocking Planning and Architecture Collaboration for consideration for listing on the Town of Vincent Municipal Heritage Inventory, as part of the current review of the Town's Inventory."*

Despite several verbal requests and letters, EPFC have not advised the Town of its financial commitment to the lease. The Town has recently obtained legal advice which confirms that EPFC do not have a lease, are tenants on a monthly basis and are not entitled to the rent from PGSC of \$130,000 for the 2001/2002 NSL season (should the Council require).

The Loton Park Tennis Club has a lease from 1 July 1999 to 1 July 2004. (This was approved at the Council Meeting held on 10 May 1999.) This lease is not involved in these negotiations.

The previous Lease with EPFC was a ten year Lease which commenced on 1 January 1991 and had an expiry date of 31 December 2000.

During the period of the lease, the East Perth Football Club were regularly in arrears on their financial commitments under the Lease. This culminated with a resolution being passed at the Ordinary Meeting of Council held on 22 March 1999 as follows:

*"That a letter be sent to the East Perth Football Club asking them to pay their outstanding account promptly and indicating that as their Lease is due for renewal at the end of the year 2000, their delays in paying amounts due under the current lease will be taken into account when a lease renewal is being considered."*

#### **Current Licence Agreement/Sub-Leases:**

##### Licence between EPFC and PGSC:

EPFC currently are monthly tenants for Perth Oval. A licence exists between East Perth Football Club and Perth Glory Soccer Club for the period 5 September 1999 to 7 May 2000. Two one-year options for 5 September 2000 to 7 May 2001 and 5 September 2001 to 7 May 2002 are also available. National Soccer League Games are played on the Oval. Perth Glory Soccer Club pay \$5,000 per game to the Town under this licence arrangement (\$75,000 per annum). It pays \$130,000 in licence fees to East Perth Football Club. In addition, it pays a further \$27,000 to EPFC to train and use Leederville Oval.

##### Sub-Leases:

Aspire Fitness WA have had a sub-lease with EPFC to rent approximately 243m<sup>2</sup> since 2 December 1991. They pay \$8,000 per year to EPFC. The Principals have been advised of the Council resolution of 19 December 2000.

Lamberg Pty Ltd trading as Embassy Catering have had a sub-lease since 1 October 1988 and they pay \$14,472 per year.

EPFC receive a total rental income of \$152,472 per annum from sub-leases and licence.

On 13 October 2001, PGSC advised the Town that it is their desire and commitment to lease Leederville Oval as the preferred venue. However, they also advised that they would not be disappointed if Perth Oval became available and confirmed that they are keen to lease Perth Oval on mutually agreeable terms and conditions, in the event that they cannot lease Leederville Oval.

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**FINANCIAL IMPLICATIONS**

It is essential that the financial implications for Leederville and Perth Ovals be carefully considered. It will require cooperation of all parties involved to achieve a satisfactory outcome.

The partnership proposal will eliminate the major financial requirement for the Town to solely upgrade Perth Oval (estimated to cost \$2.78 million) for use as a WAFL ground. The expenditure of this money for a WAFL ground would be extremely difficult to justify – particularly as it would only benefit one sport and a small number of persons.

The following estimated funding is required;

**Leederville Oval**

		<b>Funding</b>		
	<b>Others</b>	<b>State Govt.</b>	<b>Town</b>	<b>Total</b>
Grandstand Refurbishment, incl EPFC Clubrooms	●500,000	-	1,000,000	1,500,000
Subiaco Football Club Clubrooms	*250,000	250,000	250,000	750,000
Upgrade Oval Lights	**100,000	100,000	100,000	300,000
New Public Open Space, Carparking	-	-	850,000	850,000
State Indoor Multi-Use Sports Centre	#500,000	1,700,000	1,300,000	3,500,000
Sport and Recreation Admin Centre	-	-	##3,000,000	3,000,000
<b>TOTAL</b>	1,350,000	2,050,000	6,500,000	
<b>GRAND TOTAL</b>				<u>9,900,000</u>

- \* WAFC, SFC
- \*\* WAFC, EPFC, SFC
- # Grants, Lotteries, Sponsorship, Lessees
- ## TOV Loan
- WAFC

**Perth Oval**

	<b>Possible Funding</b>			
	<b>Others</b>	<b>State Govt.</b>	<b>Town</b>	<b>Total</b>
Refurbishment of existing grandstand		-	1,000,000	1,000,000
Creation of public open space			1,000,000	1,000,000
New grandstand		4,650,000	1,000,000	5,650,000
Standing areas (new)		1,000,000		1,000,000
Contingency		400,000		400,000
Consultants fees		750,000		750,000
<b>Sub-Total</b>		6,800,000	3,000,000	9,800,000
<b>Total</b>				<u>19,700,000</u>

**Estimated Costs to upgrade the land outside the leased areas at Perth and Leederville Ovals**

	<b>Perth Oval</b>	<b>Leederville Oval</b>
• Construct paths, entries, preliminaries	200,000	100,000
• Construct proposed car parking	180,000	100,000
• Richmond Street carparking and enhancements#	-	200,000
• Earthworks, retaining walls, fencing	150,000	100,000
• Supply and install lighting along proposed paths and accessways	150,000	40,000
• Reticulation	100,000	70,000
• Grassing and turfing	50,000	50,000
• Resurface, provide suitable lighting and linemark existing carpark	50,000	65,000
• Parks furniture	30,000	20,000
• Garden bed planting and mature trees	25,000	20,000
• New bore	15,000	35,000
• Contingency	50,000	50,000
• <b>TOTAL</b>	<b>\$1,000,000</b>	<b>\$850,000</b>

*#Richmond Street Upgrade*

• <i>Embayed Parking</i>	<i>\$130,000</i>
• <i>Street Enhancements, lighting upgrade, ticket machines</i>	<i>50,000</i>
• <i>Footpath Upgrade and Landscaping</i>	<i><u>20,000</u></i>
• <i>TOTAL</i>	<i><u>\$200,000</u></i>

It should be noted that the embayed parking and enhancement proposed for Richmond Street is recommended, irrespective of the Leederville Oval proposal, as it will serve the Leederville TAFE students.

**COSTING****Leederville Oval Redevelopment and State Indoor Sports Centre**

The Town's contribution for the redevelopment of Leederville Oval and associated works and State Indoor Multi-Use Sports Centre can be funded as follows;

- (i) \$1 million from the Leederville Oval Reserve Fund to be used for the upgrade of the existing buildings and infrastructure;
- (ii) \$850,000 and approximately \$675,000, being the balance of the funds, from the Capital Reserve for the construction of a new 60 bay carpark adjoining the Loftus Centre Carpark, upgrade and lighting of the carpark (100 bays) at the western side of the reserve, establishment of approximately 10,650m<sup>2</sup> of public open space (including plants, lawn, paths, lighting, fencing, street furniture, public art and bore upgrade and reticulation), construction of approximately 120 embayed carbays on the south side of Richmond Street, together with footpath upgrade, provision of underground power and landscaping;
- (iii) \$1 million from the proposed Elven Street subdivision (funds expected mid-late 2002) for parking and associated works to the State Indoor Multi-Use Sports Centre;

- (iv) the Town's contribution of \$350,000 for lights and building extensions can be funded from the Capital Reserve;
- (v) a portion of funds currently in the Len Fletcher Pavilion Reserve Fund (this fund contains \$283,672 at the time of writing this report);
- (vi) A building for the Department of Sport and Recreation would cost approximately \$3 million (excluding fit-out) and a preliminary examination has revealed that the Town could borrow this money, construct the building and lease it to the Department for a commercial rent for a long lease to be negotiated. This would not cost the Town any money, as the rent would cover the loan repayments, as follows:

**Financial Details**

	<u>\$3.0 million</u>	<u>\$3.5 million</u>
Borrowing Cost (6% interest rate)	\$240,000 pa	\$278,000 pa
Possible Rent	<u>\$250,000 pa</u>	<u>\$288,000 pa</u>
Net Gain	<u>\$10,000 pa</u>	<u>\$10,000 pa</u>

Any surplus would be placed in a reserve for the future maintenance of the building.

**Perth Oval Redevelopment and Rectangular Sports Stadium**

Funds for Perth Oval redevelopment will not be required until at least the 2002-2003 (and possibly also 2003-2004 and beyond) financial year. Should the Town wish to proceed with the proposal, it is recommended that the Town contribute up to \$3 million towards the project. It is recommended the amount could be borrowed.

An annual interest (6%) borrowing cost would be \$240,000 over 25 years. The rent would be structured to cover this amount, plus a negotiated amount per senior match (currently \$5,000 per game). Therefore, the basic rent for PGSC and other lessees should be negotiated in the vicinity of this amount.

PGSC have provided a letter dated 13 October 2001 to the Town advising their "*desire and commitment to lease Leederville Oval as the preferred venue to play Perth Glory fixtured games.....Whilst we prefer Leederville Oval we would not be disappointed should the Minister direct us to Perth Oval. To that end we confirm our keenness to lease Perth Oval on mutually agreeable terms and conditions, in the event that PGSC cannot lease Leederville Oval.*"

**FUNDING OPTIONS**

**1. Town to Fund Total Project**

For the Town to totally fund this project will require a loan of \$18 million (approx).

Comment:

This option is not recommended for the following reasons;

- (a) the interest repayments are cost prohibitive and too high;
- (b) the multi-purpose rectangular sports stadium is a State facility and therefore a responsibility of the State Government to provide some funds; and
- (c) the commitment of funds to these projects will severely restrict funds for other Capital Works.

2. **Town and State Government in a Partnership**

Under this proposal, the project costs would be shared between both governments. This is the favoured option.

3. **Town, Private Enterprise and State Government in a Joint Venture**

This is the second favoured option. The use of private enterprise funds (eg PGSC) should not be excluded, however it would require further investigation.

4. **Town and Private Enterprise in a Joint Venture**

This option has not been explored at this stage.

5. **Private Enterprise to wholly fund the Venture**

This is not recommended. The buildings would be on the Town's land and would involve complex and protracted negotiations.

All options need further investigation and would involve considerable work.

## **PERTH OVAL REDEVELOPMENT**

### Advantages/Benefits

1. Cost is realistic and achievable.
  2. Future redevelopment works for the Stadium can be staged.
  3. A negotiated commercial rent income to Town would be received and would pay for the loan borrowings.
  4. Needs of the soccer, rugby and other sports patrons are achieved.
  5. Venue will be used to maximum potential as a regional facility.
  6. Asset improvement by upgrading a facility which requires significant maintenance expenditure.
  7. Patronage to the Beaufort Street/Mount Lawley businesses and to a lesser degree to Oxford Centre and Northbridge businesses.
  8. The redevelopment of Perth Oval is predicted to have a significant beneficial impact on the Town. In particular, the business community, who will receive pre and post game patronage.
  9. On street parking will be improved and the public will have access to 100 additional on street carparking bays when not required on match days.
  10. Creation of approximately 35,000m<sup>2</sup> of public open space.
  11. Infrastructure improvement to roads, footpaths, lights, street furniture, signage around the venue can be carried out, therefore improving the Town's assets.
  12. Venue can be used and promoted to accommodate the various soccer and rugby associations/sporting groups. Other sports such as Gaelic Football and Lacrosse, could also be played.
  13. Venue can be used as a soccer and rugby centre for development of junior players.
-

14. National exposure through publicity can be achieved for the Town.
15. Venue is ideally located to public transport and access – Claise Brook and East Perth Railway Stations are within 500m, major roads include Lord, Beaufort and William Streets.
16. Heritage of Perth Oval (and in particular the Main Gates) will be preserved.
17. Light towers already installed and operational (which can be upgraded) – therefore a cost saving.
18. The venue can be used as soccer/rugby stadium, administration and clubrooms and training venue for Perth Glory Soccer Club. It can also be used by Rugby League and Rugby Union, Gaelic Football and other sports.
19. There are less residential areas around Perth Oval than Leederville Oval, therefore it will be a lesser impact.

#### Disadvantages

1. East Perth Football Club will be relocated from their traditional ground.
2. There will be some impact on the area due to traffic, parking and noise. (However, these will be minimised by the use of stringent controls.)

#### **TIMETABLE:**

Due to the large scale of these proposals, which also involve several sites, it is envisaged that the project will span over a number of years. A timeframe has not been prepared at this stage, however, it is proposed that the works will encompass:

- Short term - within a 12 month period  
Medium term - within a 3 year period  
Long term - within a 3 - 10 year period

Once the Council approves of this matter, a more precise timeframe will be prepared which will address the following issues/factors:

- Approvals - MOU's, leases, legal agreements
- Statutory
- Financial
- Heritage
- Environmental
- Infrastructure/Improvement/Construction.

#### **LEGAL/POLICY:**

##### Current Tender

The Council is required to determine the tender submitted by PGSC for the redevelopment and lease of part of Leederville Oval. If the Council resolves not to proceed with the tender (as recommended), it can then consider the alternative possible partnership proposals.

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The Local Government Act 1995, Section 3.58 and 3.59 requires business plans for Major Land Transactions to be advertised statewide for a period of not less than six (6) weeks and inviting written submissions on the proposed undertakings and for the Council to consider any submissions received at the conclusion of this period.

If the Town wishes to commence a major land transaction that is significantly different from what was proposed, it can only do so after it has complied with Sections 3.58 and 3.59 of the Local Government Act 1995 in respect to its new proposal - that is, it will need to readvertise the Business Plan and seek submissions from the public again.

The Local Government (Functions and General) Regulation 1996 and the Local Government Act 3.57 specifies requirements relating to tenders.

A proposal to lease land is required to be advertised for public comment for a period of two weeks. (Local Government Act, Section 3.58.)

The Local Government (Functions and General) Regulations 1996, regulation 8 states;

*"(1) a land transaction is an exempt land transaction for the purposes of Section 3.59 of the Act, if the local government enters into it -*

*(a) without intending to produce profit to itself; and*

*(b) without intending that another person will be sold, or given joint or exclusive use of, all or any of the land involved in the transaction."*

#### **PRINCIPAL ACTIVITIES PLAN:**

The upgrade of Leederville and Perth Ovals is listed in the Town's Principal Activities Plan.

#### **STRATEGIC IMPLICATIONS:**

Leederville and Perth Ovals and the Loftus Centre are very important sporting facilities in the Town. Their use will benefit a large number of sports and meet the needs of the community.

This proposal is in accordance with the Town's Strategic Plan 2000/2002 Key Result Area 3.6 *"Develop and Implement Strategies to improve the Town's Parks and Reserves"*, in particular, Key Result Area 3.6(a) – *"Investigate and Develop the future of Leederville Oval"*.

#### **COMMENT:**

As the redevelopment of Leederville and Perth Ovals and the Loftus Centre land will be the largest and most significant project undertaken by the Town, it is recommended that the Chief Executive Officer be authorised to carry out negotiations with the various parties on the items detailed in the recommendation and for further reports to be submitted to the Council.

The CEO is of the opinion that the redevelopment proposals are a *"win - win"* for everyone involved and have many potential advantages and benefits to the Town, State Government and the many sports organisations which will be involved. It is therefore recommended the Council approve of the proposals, subject to the conditions as detailed in this report.

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**Moved by Mayor Catania, Seconded by Cr Drewett**

*That the recommendation be adopted.*

**Moved by Mayor Chester, Seconded by Cr Hall**

*That Clause (3)(c) be amended by deleting the words “to be” in the first line and replacing them with the words “may be, but not limited to being”, in order to read as follows;*

*“(3) (c) and the \$1,300,000 may be, but not limited to being funded from the future proceeds from the sale of the proposed Elven Street subdivision and portion of the Len Fletcher Pavilion Reserve Fund and Capital Reserve Fund (if required);”*

*and Clause (17) be amended by adding the words “invite and/” after the word “services” in the first line, in order to read as follows;*

*“(17) to authorise the Chief Executive Officer to engage the services, invite and/or call tenders (as required), for the necessary architects and consultants to progress the proposals, assist with these matters and to provide the necessary information/advice as required;”*

**AMENDMENT WAS PUT AND CARRIED (8-0)**

**MOTION AS AMENDED WAS PUT AND CARRIED  
BY AN ABSOLUTE MAJORITY (8-0)**

**(Cr Piper on Leave of Absence and did not vote.)**

**Note:**

**Item 5.2 to remain Confidential until released for public information by the Mayor and/or Chief Executive Officer.**

**Further Note:**

**This Report was released for public information on 14 February 2003.**

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**IN ACCORDANCE WITH CLAUSE (14), IT WAS RESOLVED THAT THIS REPORT NO LONGER REMAIN CONFIDENTIAL AND BE MADE AVAILABLE TO THE PUBLIC EXCEPT FOR THE FINANCIAL INFORMATION (WHICH HAS BEEN DELETED BY THE CHIEF EXECUTIVE OFFICER).**

**THE FINANCIAL INFORMATION WILL BE RELEASED FOR PUBLIC INFORMATION AFTER THE COUNCIL HAS APPROVED OF THE BUILDING TENDER.**

**6.1 Confidential Report – Major Land Transaction - Proposed Multi Purpose Rectangular Sports Stadium and Redevelopment of Perth Oval, Pier Street, Perth – Progress Report No. 3**

<b>Ward:</b>	North Perth	<b>Date:</b>	6 December 2002
<b>Precinct:</b>	Beaufort, P13	<b>File Ref:</b>	RES0051
<b>Reporting Officer(s):</b>	John Giorgi		
<b>Checked/Endorsed by:</b>	-		
<b>Amended by:</b>	-		

**OFFICER RECOMMENDATION:**

*That the Council;*

(1) *RECEIVES the Progress Report No. 3 as at 6 December 2002, relating to the proposed Multi Purpose Rectangular Sports Stadium and Redevelopment of Perth Oval, Pier Street, Perth;*

(2) *in accordance with Regulation 10 of the Local Government (Administration) Regulations 1996 as referred to in Section 5.25(e) of the Local Government Act 1995 having received the support of one third of the number of offices of Members of the Council, namely Mayor Catania, Cr Chester and Cr Ker, resolves to CHANGE the following resolution adopted by the Council at its Special Meeting held on 30 October 2001 (Item No. 5.2, Clauses (1)(b) and (3)(b)), namely;*

*"(1)(b) redevelop Perth Oval, construct a Multi-Purpose Rectangular Sports Stadium (Stage 1) and construct approximately 35,000m<sup>2</sup> of public open space, including plants, lawn, paths, lighting, fencing, street furniture, public art and bore upgrade and reticulation, (as shown in Plans SK01 & SK02 – Appendices 3 and 4) at an estimated cost of \$9,800,000; and ...*

*(3)(b) Perth Oval redevelopment – upgrade of existing infrastructure, construction of a Multi-Purpose Rectangular Sports Stadium and creation of approximately 35,000m<sup>2</sup> of public open space, at an estimated cost of \$9,800,000;*

<i>Others</i>	<i>State Govt.</i>	<i>Town</i>
<i>(To be determined)</i>	<b>\$6,800,000</b>	<b>\$3,000,000</b>

*and the \$3 million to be funded from loan borrowings and be used as follows;*

- (i) *\$1.0 million for the upgrade of the existing buildings and infrastructure;*
- (ii) *\$1.0 million for the construction of Stage 1 of the Multi-Purpose Rectangular Sports Stadium;*

- (iii) *\$1.0 million for the establishment of approximately 35,000m<sup>2</sup> of public open space (including plants, lawn, paths, paving, lighting, fencing, street furniture, public art and bore upgrade and reticulation), upgrade of footpaths, street lighting and infrastructure, the construction of 40 new on-street carbays in Pier Street and 67 new on-street carbays in Brewer Street and the upgrade of the former Caretakers residence on the eastern side of the reserve (or its demolition) and associated preliminaries and headwork costs; and ..."*

**(3) RESOLVES BY AN ABSOLUTE MAJORITY to approve the following;**

- (i) *the revised concept plan as shown in Appendix 6.2 (Plan Nos. SK1-SK7 dated 28 November 2002);*
- (ii) *redevelop Perth Oval, construct a Multi-Purpose Rectangular Sports Stadium (Stage 1) and create approximately 35,000m<sup>2</sup> of public open space, including plants, lawn, paths, lighting, fencing, street furniture, public art and bore upgrade and reticulation, (as shown in Plan Nos SK1-SK7 dated 28 November 2002) at an estimated cost of \$10,548,000;*
- (iii) *Perth Oval redevelopment funding, at an estimated cost of \$10,548,000 (excluding GST) to be as follows;*

<i>Stage 1</i>			
<i>Year</i>	<i>Town</i>	<i>Government</i>	<i>Total</i>
<i>2003/04</i>	<i>\$4,469,000</i>	<i>\$4,500,000</i>	<i>\$8,969,000</i>
<i>2004/05</i>	<i>0</i>	<i>\$1,579,000</i>	<i>\$1,579,000</i>
<i>Total</i>	<i>\$4,469,000</i>	<i>\$6,079,000</i>	<i>\$10,548,000</i>

<i>Stage 2</i>			
<i>Year</i>	<i>Town</i>	<i>Government</i>	<i>Total</i>
<i>To be decided</i>	<i>0</i>	<i>\$4,950,000</i>	<i>\$4,950,000</i>
<i>Total</i>	<i>0</i>	<i>\$4,950,000</i>	<i>\$4,950,000</i>

*subject to;*

- (a) *the State Government of Western Australia bringing forward its funding of \$1,579,000 listed for 2004/05, and this to be paid at October 2003;*
- (b) *the State Government of Western Australia entering into a legal agreement to build Stage 2 of the redevelopment project at an estimated cost of \$4,950,000 at a date mutually agreed between the State Government of Western Australia and the Town, or within five years of the agreement being signed, subject to a feasibility development being carried out; and*
- (c) *the Town's contribution being obtained from loan borrowings and this to be re-paid by potential users of the facility and obtained from income from the lease payments and license fees, sale of naming rights, sale of food and beverage rights, sale of management rights, sale of marketing rights and sponsorship rights;*
- (iv) *the \$10.548 million Stage 1 works to be used as follows;*

	<i>Stage 1</i>	<i>Stage 2</i>	<i>Total</i>
<i>1.0 - Construction Costs</i>	<i>8,840,000</i>	<i>4,150,000</i>	<i>12,990,000*</i>
<i>2.0 - Other Project Costs</i>	<i>1,708,000</i>	<i>800,000</i>	<i>2,508,000*</i>
<i>Total Project Cost</i>	<i>10,548,000</i>	<i>4,950,000</i>	<i>15,498,000*</i>
<i>*Excludes GST</i>	<i>1,054,800</i>	<i>495,000</i>	<i>1,549,800</i>

- (4) *AMENDS the Major Land Transaction Proposal and Business Plan to reflect the new changes as shown in Appendix 6.2(A) and for this to be advertised statewide for a period of not less than six (6) weeks, commencing in mid January 2003, and inviting written submissions on the proposed undertakings and for the Council to consider any submissions received at the conclusion of this period;*
- (5) *NOTES that the Town's contribution is the subject of negotiation and further investigation by the Chief Executive Officer for lease terms and conditions, sale of facility naming rights, food and beverage catering rights, marketing and sponsorship rights, management rights and other concessions to be determined and a further report will be submitted for the Council's approval, and for this to be also approved by the State Government Expenditure Review Committee;*
- (6) *AUTHORISES the Chief Executive Officer to prepare the necessary documentation and advertise tenders for the proposed Multi Purpose Rectangular Sports Stadium at Perth Oval for the;*
- (i) facility naming rights, including venue, proposed stands and scoreboard;*
  - (ii) food and beverage catering rights;*
  - (iii) management of the venue; and*
  - (iv) marketing and sponsorship of the venue;*
- (7) *NOTES that;*
- (i) this redevelopment project is subject to the approval of the State Government Expenditure Review Committee (at its meeting to be held on 18 December 2002); and*
  - (ii) the Town will be required to enter into a Financial Assistance Agreement with the State Government of Western Australia and the Agreement will include the following conditions;*
    - (a) the Department of Sport and Recreation will act as agents on behalf of the State Government of Western Australia and must be involved in discussions and decisions made in regard to future management and use of the facility;*
    - (b) the State Government of Western Australia will not accept responsibility for any deficits incurred with operating the venue, nor will it require a portion of any profit from operating the venue, should this eventuate;*
    - (c) management of the venue will be via a public tender process (controlled by the Town);*
    - (d) naming rights, catering and sponsorship will be via a public tender process;*

- (e) *a Management Committee/Board be established that includes the Town and the Department of Sport and Recreation (and other members to be decided) to oversee the operation of the facility and to provide regular updates to the Minister for Sport and Recreation;*
  - (f) *the facility be made available to as many sporting groups as the facility design permits, including cultural and artistic events and significant occasions such as World Championships, Commonwealth Games, etc; and*
  - (g) *maintenance of the venue will be the responsibility of the Town of Vincent;*
- (8) *REFERS, in accordance with the provisions of the Town of Vincent Town Planning Scheme No. 1 and the Metropolitan Region Scheme, to the Western Australian Planning Commission (WAPC), the application and plans dated 28 November 2002, with appropriate conditions for the proposed redevelopment of Leederville Perth Oval, for determination;*
- (9) *APPROVES the borrowing of \$4,469,000 and AUTHORISES the Chief Executive Officer to;*
- (i) *give one (1) month's notice of the Council's intention in accordance with Section 6.20 of Subdivision 3, Part 6 of the Local Government Act 1995 and subject to prior approval by the State Treasurer (under the Local Government Act, Section 6.21); and*
  - (ii) *call a tender/quotation for the loan funding;*
- (10) *REQUIRES the Directors/Owners, Mr Nick Tana and Mr David Rodwell of Perth Glory Soccer Club Pty Ltd (PGSC), to enter into a legal agreement to personally guarantee the Council's loan borrowings for this project;*
- (11) *REQUIRES the light towers and fittings at Perth Oval (currently owned by PGSC) to be transferred to the Town's ownership at the end of the proposed lease period between the Town and PGSC;*
- (12) *APPROVES of the Town carrying out the sewer diversion at Perth Oval and to be reimbursed by the Water Corporation, when the work has been completed;*
- (13) *AUTHORISES the Chief Executive Officer to negotiate and report back to the Council for approval of the Financial Assistance Agreement and Terms and Conditions; and*
- (14) *AUTHORISES the Chief Executive Officer to make public this Confidential Report and the Confidential Report of the Special Meeting of Council held on 30 October 2001, other than the sensitive financial or commercial information.*
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**Moved by Cr Drewett, Seconded by Cr Piper**

*That the recommendation be adopted*

**Moved by Cr Doran-Wu, Seconded by Cr Ker**

*That the following new clause be inserted;*

**“(15) REQUIRES PGSC to enter into a legal agreement to service the Council's loan borrowings for this project, subject to;**

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- (i) the Chief Executive Officer negotiating the necessary terms and conditions;  
and
- (ii) the Council approving of the final terms and conditions;”

*Debate ensued.*

WITHDRAWN by Mover with consent of Seconder

Moved by Cr Doran-Wu, Seconded by Cr Ker

*That the following new clause be inserted;*

*“(16) AUTHORISES the Project Architects to proceed with the preparation of the necessary documentation and working drawings;”*

*Debate ensued.*

**AMENDMENT CARRIED (8-0)**

(Cr Franchina was absent from the Chamber and did not vote.)

Moved by Cr Doran-Wu, Seconded by Cr Ker

*That the following new clause be inserted;*

*“(17) REQUESTS the Chief Executive Officer to implement appropriate procedures, processes and mechanisms, so that the Town does not pay any greater costs than the approved project costs, including (but not limited to) all tender documentation containing the necessary clauses specifying substantial penalties for building delays;”*

*Debate ensued.*

**AMENDMENT CARRIED (8-0)**

(Cr Franchina was absent from the Chamber and did not vote.)

Moved by Cr Chester, Seconded by Cr Doran-Wu

*That;*

*Clause (3)(iii)(c) be amended to read as follows;*

*“(3)(iii)Perth Oval redevelopment funding, at an estimated cost of \$10,548,000 (excluding GST) to be as follows;*

- (c) *the Town’s contribution being obtained from loan borrowings and this to be solely re-paid by potential users of the facility through, but not limited to, and obtained from income from the lease payments and license fees, sale of naming rights, sale of food and beverage rights, sale of management rights, sale of marketing rights and sponsorship rights;”*

*and*

*a new clause (17) be added as follows;*

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*“(17) the proposed Public Open Space on Perth Oval be named "LOTON PARK" (in recognition of William Thorley LOTON, the original landowner, who transferred the land to the former City of Perth - now the Town of Vincent - to be used as a public park and recreation ground in perpetuity) subject to;*

- (i) this matter being advertised for public comment for a period of forty two (42) days (as part of the Major Land Transaction); and*
- (ii) the Chief Executive Officer submitting a further report to the Council to consider any submissions received at the end of the public consultation period.”*

*Debate ensued.*

**AMENDMENT CARRIED (8-0)**

(Cr Franchina was absent from the Chamber and did not vote.)

**Moved** by Cr Piper, **Seconded** by Cr Hall

*That;*

1. *Clause (3)(iii)(b) be amended to read as follows;*

- (3) (iii) Perth Oval redevelopment funding, at an estimated cost of \$10,548,000 (excluding GST) to be as follows;*
  - (b) the State Government of Western Australia entering into a legal agreement to build Stage 2 of the redevelopment project at an estimated cost of \$4,950,000 at a date mutually agreed between the State Government of Western Australia and the Town, or within five years of the agreement being signed, subject to the results of a ~~feasibility development~~ needs analysis being carried out;*

*Debate ensued.*

**AMENDMENT LOST (0-8)**

(Cr Franchina was absent from the Chamber and did not vote.)

**Moved** by Cr Drewett, **Seconded** by Cr Hall

*That;*

*Clause 3(iii) proposed funding chart relating to the proposed Stage 2 of the Perth Oval redevelopment project be deleted, clause 3(iii)(b) be deleted, and the following new clause 3(iii)b inserted:*

*"3(iii)(b) the proposed Stage 2 of the Perth Oval redevelopment project to be subject to the results of a needs analysis within 5 years, and the funding be the subject of further negotiation (and the report amended accordingly); and"*

**AMENDMENT CARRIED (7-1)**

**For**  
Mayor Catania  
Cr Cohen  
Cr Doran-Wu  
Cr Drewett  
Cr Hall  
Cr Ker  
Cr Piper

**Against**  
Cr Chester

(Cr Franchina was absent from the Chamber and did not vote.)

**MOTION AS AMENDED CARRIED (8-0)**

(Cr Franchina was absent from the Chamber and did not vote.)

**COUNCIL DECISION ITEM 6.1**

*That the Council;*

- (1) *RECEIVES the Progress Report No. 3 as at 6 December 2002, relating to the proposed Multi Purpose Rectangular Sports Stadium and Redevelopment of Perth Oval, Pier Street, Perth;*
- (2) *in accordance with Regulation 10 of the Local Government (Administration) Regulations 1996 as referred to in Section 5.25(e) of the Local Government Act 1995 having received the support of one third of the number of offices of Members of the Council, namely Mayor Catania, Cr Chester and Cr Ker, resolves to CHANGE the following resolution adopted by the Council at its Special Meeting held on 30 October 2001 (Item No. 5.2, Clauses (1)(b) and (3)(b)), namely;*

*"(1)(b) redevelop Perth Oval, construct a Multi-Purpose Rectangular Sports Stadium (Stage 1) and construct approximately 35,000m<sup>2</sup> of public open space, including plants, lawn, paths, lighting, fencing, street furniture, public art and bore upgrade and reticulation, (as shown in Plans SK01 & SK02 – Appendices 3 and 4) at an estimated cost of \$9,800,000; and ...*

*(3)(b) Perth Oval redevelopment – upgrade of existing infrastructure, construction of a Multi-Purpose Rectangular Sports Stadium and creation of approximately 35,000m<sup>2</sup> of public open space, at an estimated cost of \$9,800,000;*

<i>Others</i>	<i>State Govt.</i>	<i>Town</i>
<i>(To be determined)</i>	<i>\$6,800,000</i>	<i>\$3,000,000</i>

*and the \$3 million to be funded from loan borrowings and be used as follows;*

- (i) \$1.0 million for the upgrade of the existing buildings and infrastructure;*
  - (ii) \$1.0 million for the construction of Stage 1 of the Multi-Purpose Rectangular Sports Stadium;*
  - (iii) \$1.0 million for the establishment of approximately 35,000m<sup>2</sup> of public open space (including plants, lawn, paths, paving, lighting, fencing, street furniture, public art and bore upgrade and reticulation), upgrade of footpaths, street lighting and infrastructure, the construction of 40 new on-street carbays in Pier Street and 67 new on-street carbays in Brewer Street and the upgrade of the former Caretakers residence on the eastern side of the reserve (or its demolition) and associated preliminaries and headwork costs; and ..."*
- (3) *RESOLVES BY AN ABSOLUTE MAJORITY to approve the following;*
    - (i) the revised concept plan as shown in Appendix 6.2 (Plan Nos. SK1-SK7 dated 28 November 2002);*



- (ii) *redevelop Perth Oval, construct a Multi-Purpose Rectangular Sports Stadium (Stage 1) and create approximately 35,000m<sup>2</sup> of public open space, including plants, lawn, paths, lighting, fencing, street furniture, public art and bore upgrade and reticulation, (as shown in Plan Nos SK1-SK7 dated 28 November 2002) at an estimated cost of \$10,548,000;*
- (iii) *Perth Oval redevelopment funding, at an estimated cost of \$10,548,000 (excluding GST) to be as follows;*

<u>Stage 1</u>			
Year	Town	Government	Total
2003/04	\$4,469,000	\$4,500,000	\$8,969,000
2004/05	0	\$1,579,000	\$1,579,000
<b>Total</b>	<b>\$4,469,000</b>	<b>\$6,079,000</b>	<b>\$10,548,000</b>

*subject to;*

- (a) *the State Government of Western Australia bringing forward its funding of \$1,579,000 listed for 2004/05, and this to be paid at October 2003;*
- (b) *the proposed Stage 2 of the Perth Oval redevelopment project to be subject to the results of a needs analysis within 5 years, and the funding be the subject of further negotiation (and the report amended accordingly); and*
- (c) *the Town's contribution being obtained from loan borrowings and this to be solely re-paid by potential users of the facility through, but not limited to, income from the lease payments and license fees, sale of naming rights, sale of food and beverage rights, sale of management rights, sale of marketing rights and sponsorship rights;*
- (iv) *the \$10.548 million Stage 1 works to be used as follows;*

	Stage 1
1.0 - Construction Costs	8,840,000
2.0 - Other Project Costs	1,708,000
<b>Total Project Cost</b>	<b>10,548,000</b>

*\*Excludes GST 1,054,800*

- (4) *AMENDS the Major Land Transaction Proposal and Business Plan to reflect the new changes as shown in Appendix 6.2(A) and for this to be advertised statewide for a period of not less than six (6) weeks, commencing in mid January 2003, and inviting written submissions on the proposed undertakings and for the Council to consider any submissions received at the conclusion of this period;*
- (5) *NOTES that the Town's contribution is the subject of negotiation and further investigation by the Chief Executive Officer for lease terms and conditions, sale of facility naming rights, food and beverage catering rights, marketing and sponsorship rights, management rights and other concessions to be determined and a further report will be submitted for the Council's approval, and for this to be also approved by the State Government Expenditure Review Committee;*

- (6) *AUTHORISES the Chief Executive Officer to prepare the necessary documentation and advertise tenders for the proposed Multi Purpose Rectangular Sports Stadium at Perth Oval for the;*
- (i) *facility naming rights, including venue, proposed stands and scoreboard;*
  - (ii) *food and beverage catering rights;*
  - (iii) *management of the venue; and*
  - (iv) *marketing and sponsorship of the venue;*
- (7) *NOTES that;*
- (i) *this redevelopment project is subject to the approval of the State Government Expenditure Review Committee (at its meeting to be held on 18 December 2002); and*
  - (ii) *the Town will be required to enter into a Financial Assistance Agreement with the State Government of Western Australia and the Agreement will include the following conditions;*
    - (a) *the Department of Sport and Recreation will act as agents on behalf of the State Government of Western Australia and must be involved in discussions and decisions made in regard to future management and use of the facility;*
    - (b) *the State Government of Western Australia will not accept responsibility for any deficits incurred with operating the venue, nor will it require a portion of any profit from operating the venue, should this eventuate;*
    - (c) *management of the venue will be via a public tender process (controlled by the Town);*
    - (d) *naming rights, catering and sponsorship will be via a public tender process;*
    - (e) *a Management Committee/Board be established that includes the Town and the Department of Sport and Recreation (and other members to be decided) to oversee the operation of the facility and to provide regular updates to the Minister for Sport and Recreation;*
    - (f) *the facility be made available to as many sporting groups as the facility design permits, including cultural and artistic events and significant occasions such as World Championships, Commonwealth Games, etc; and*
    - (g) *maintenance of the venue will be the responsibility of the Town of Vincent;*
- (8) *REFERS, in accordance with the provisions of the Town of Vincent Town Planning Scheme No. 1 and the Metropolitan Region Scheme, to the Western Australian Planning Commission (WAPC), the application and plans dated 28 November 2002, with appropriate conditions for the proposed redevelopment of Perth Oval, for determination;*
- (9) *APPROVES the borrowing of \$4,469,000 and AUTHORISES the Chief Executive Officer to;*
-

- (i) *give one (1) month's notice of the Council's intention in accordance with Section 6.20 of Subdivision 3, Part 6 of the Local Government Act 1995 and subject to prior approval by the State Treasurer (under the Local Government Act, Section 6.21); and*
- (ii) *call a tender/quotation for the loan funding;*
- (10) *REQUIRES the Directors/Owners, Mr Nick Tana and Mr David Rodwell of Perth Glory Soccer Club Pty Ltd (PGSC), to enter into a legal agreement to personally guarantee the Council's loan borrowings for this project;*
- (11) *REQUIRES the light towers and fittings at Perth Oval (currently owned by PGSC) to be transferred to the Town's ownership at the end of the proposed lease period between the Town and PGSC;*
- (12) *APPROVES of the Town carrying out the sewer diversion at Perth Oval and to be reimbursed by the Water Corporation, when the work has been completed;*
- (13) *AUTHORISES the Chief Executive Officer to negotiate and report back to the Council for approval of the Financial Assistance Agreement and Terms and Conditions;*
- (14) *AUTHORISES the Chief Executive Officer to make public this Confidential Report and the Confidential Report of the Special Meeting of Council held on 30 October 2001, other than the sensitive financial or commercial information;*
- (15) *AUTHORISES the Project Architects to proceed with the preparation of the necessary documentation and working drawings;*
- (16) *REQUESTS the Chief Executive Officer to implement appropriate procedures, processes and mechanisms, so that the Town does not pay any greater costs than the approved project costs, including (but not limited to) all tender documentation containing the necessary clauses specifying substantial penalties for building delays; and*
- (17) *the proposed Public Open Space on Perth Oval be named "LOTON PARK" (in recognition of William Thorley LOTON, the original landowner, who transferred the land to the former City of Perth - now the Town of Vincent - to be used as a public park and recreation ground in perpetuity) subject to;*
  - (i) *this matter being advertised for public comment for a period of forty two (42) days (as part of the Major Land Transaction); and*
  - (ii) *the Chief Executive Officer submitting a further report to the Council to consider any submissions received at the end of the public consultation period.*

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**COMMENTS:**

An Elected Member has queried the effect of the procedural motion relating to an item where it "Lie on the Table". This query has been checked by the Chief Executive Officer and where the Council resolved that a matter "Lie on the Table" and a motion to have it raised from the table is moved, *the Mover of the original substantive motion (in this case Cr Drewett) or in the absence of the original mover, the person moving this procedural motion (Mayor Catania) is to be given the opportunity to re-introduce the matter after which debate shall continue according to the Standing Orders.*

Accordingly, the original recommendation is to be considered by the Council and any proposed amendments will be considered when moved by the Elected Member.

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### **CHIEF EXECUTIVE OFFICER'S FURTHER REPORT:**

At the Special Meeting of Council held on 10 December 2002, the matter of the Multi Purpose Rectangular Sports Stadium and Redevelopment of Perth Oval was considered and the Council resolved;

*"That the item Lie on the Table.*

<u>For</u>	<u>Against</u>
<i>Cr Cohen</i>	<i>Mayor Catania</i>
<i>Cr Drewett</i>	<i>Cr Chester</i>
<i>Cr Franchina</i>	<i>Cr Ker</i>
<i>Cr Hall</i>	
<i>Cr Piper</i>	

*(Cr Doran-Wu absent from the meeting.)*

During consideration of this item a number of matters were raised and the following additional information is provided;

- Risk Management Plan

As the Perth Oval facilities are of a temporary nature, a committee was formed comprising Council Officers, Acting Manager Health Services as Chair, Police Service, Ambulance Service, Fire and Emergency Services Australia (FESA), WA Department of Health, Transperth, security/crowd control agencies, caterers, Department of Racing, Gaming and Liquor, Healthway and PGSC.

This committee prepared a Risk Management Plan which, in essence, is in place to deal with emergencies which may arise. All organisations represented on the committee have certified the Risk Management Plan.

- Building Code of Australia

The Perth Oval buildings were built prior to the Building Code of Australia (BCA) being introduced and therefore, do not comply with its requirements in many areas. However, the BCA requires that any substantial refurbishment will necessitate the refurbished facility to comply with the BCA requirements. Perth Oval complied with the relevant legislation at the time of its construction.

- Building Licences

When the temporary stands were originally erected at Perth Oval in the 1995/1996 season, enquiries were made with the Department of Local Government and several large metropolitan local authorities. They advised at the time that Building Licences were not required for these temporary structures. However, it should be noted that these temporary structures when erected are inspected and independently certified by a Structural Engineer (paid by PGSC) and the Health Department of WA. The Town's CEO then issues a temporary public building accommodation certificate, under the provisions of the Health Act 1911 (as amended) and the Health (Public Buildings) Regulations 1992, prior to the commencement of each season.

- User Group Consultation

User Group consultation meetings have been held on two occasions, namely 16 May 2002 and 17 September 2002. Present at these meetings were representatives of Soccer Administration of Western Australia (SAWA), PGSC, Rugby Union, Rugby League, Men's Lacrosse, Gaelic Football and the Department of Sport and Recreation.

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As a result of these meetings, the various sporting groups submitted their requirements, including playing field sizes and other special requirements. It should be noted that the Project Architect will be required to further consult with these user groups as the project progresses.

- Concept Design of Stadium - including Corporate Boxes

The concept design for the Multi Purpose Rectangular Sports Stadium indicates it is not specifically intended for any particular sport or organisation. Plan SK-7 indicates the playing dimensions for six (6) sports, including soccer, rugby union, rugby league, gaelic football, men's and women's lacrosse.

The provision of up to eleven (11) modest Corporate Boxes in the existing grandstand arose out of the user group discussions. These Corporate Boxes will not be leased by any specific group and will be available to the various users of the facility. These facilities are an integral part of the refurbished grandstand.

The Project Architect has gone to considerable length to ensure that the proposed facility meets the various sporting code requirements and to ensure that it is truly multi purpose. This is in keeping with the State Government requirements.

- Office areas - PGSC and Rugby League

The concept includes a refurbishment of the old East Perth Football Club area comprising of approximately 186m<sup>2</sup> for use by PGSC administration. PGSC will be responsible to pay for the fitout of their own office area. In addition, the current TAB office is to be refurbished for Rugby League offices, approximately 140m<sup>2</sup>. The need for office space at this facility arose out of the user group consultation.

A late request has just been received indicating that WA Lacrosse may also require office space - this has not yet been explored.

- Percent For Art Budget

The need to provide monies for Percent for Art is a State Government requirement for major projects and also is consistent with the Council's Policy No. 1.2.10. The provision of art will add variety to the proposed facility and public open space. The art can take a variety of forms.

- Lights - previous Council decision

At the Ordinary Meeting of Council held on 11 July 2000, the Council approved the floodlights and adopted the following resolution (inter alia);

*"That in accordance with the provisions of the Town of Vincent Town Planning Scheme No. 1 and the Metropolitan Region Scheme, the Council recommends APPROVAL to the Western Australian Planning Commission of the application dated 27 June 2000 submitted by Anrob Consulting Pty Ltd for proposed floodlights on Part Lot 114 (No.27) Bulwer Street, Perth and as shown on plans dated 27 June 2000, subject to:*

(i) *the illuminance from the floodlights shall;*

(a) *be confined to the limits of the oval and away from adjoining properties; and*

(b) *not exceed a maximum of 5 Lux on the surrounding boundaries adjacent to residential areas;*

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- (ii) *the floodlighting being verified by an independent lighting consultant (with no actual or perceived interest in the provision or installation of the lights), to be selected by the Chief Executive Officer and paid by Perth Glory Soccer Club; and*
- (iii) *the floodlights shall not be illuminated after 9.30pm or 30 minutes after the completion of the game, whichever is the earlier;*
- (iv) *an archaeological test excavation shall be carried out prior to the commencement of any site works associated with pole 3 and 4, and the physical site works shall be monitored by an archaeologist; ...*
- (xi) *any proposed continued use of the lights after Perth Glory vacates Perth Oval be subject to further consideration by the Council at that time; and*
- (xii) *compliance with all relevant Environmental Health, Building and Engineering requirements;*  
*to the satisfaction of the Chief Executive Officer."*

Therefore, the proposal to upgrade the current lights from 800 lux to 1200 lux is not restricted by the Council resolution, subject to the new lights complying with the stringent lighting requirements regarding "light spill".

The following is the verbatim report considered at the Special Meeting of Council held on 10 December 2002.

**“BACKGROUND:**

At the Special Council Meeting held on 30 October 2001, the Council approved of entering into a partnership with the State Government of Western Australia to redevelop and construct a number of sporting facilities, including a Multi-Purpose Rectangular Sports Stadium on Perth Oval, State Indoor Multi-Use Sports Centre on Loftus Centre land and the redevelopment of Leederville Oval into a “Football Centre of Excellence” for joint use by EPFC and SFC. It also approved to construct an office building on Leederville Oval.

At the Special Meeting of Council held on 30 October 2001, Council resolved inter alia as follows;

*“That the Council APPROVES BY AN ABSOLUTE MAJORITY;*

- (1) *to enter into a partnership with the State Government of Western Australia to; ...*
  - (b) *redevelop Perth Oval, construct a Multi-Purpose Rectangular Sports Stadium (Stage 1) and construct approximately 35,000m<sup>2</sup> of public open space, including plants, lawn, paths, lighting, fencing, street furniture, public art and bore upgrade and reticulation, (as shown in Plans SK01 & SK02 – Appendices 3 and 4) at an estimated cost of \$9,800,000; ...*
- (2) *to authorise the Chief Executive Officer to enter into the necessary legal agreements with the State Government of Western Australia, Department of Sport and Recreation and other organisations for the partnership proposals as detailed in this report;*
- (3) *to agree to the funding arrangements and to contribute to the partnership proposals as follows; ...*
  - (b) *Perth Oval redevelopment – upgrade of existing infrastructure, construction of a Multi-Purpose Rectangular Sports Stadium and creation of approximately 35,000m<sup>2</sup> of public open space, at an estimated cost of \$9,800,000;*

<i>Others</i>	<i>State Govt.</i>	<i>Town</i>
<i>(To be determined)</i>	<i>\$6,800,000</i>	<i>\$3,000,000</i>

*and the \$3 million to be funded from loan borrowings and be used as follows;*

- (i) \$1.0 million for the upgrade of the existing buildings and infrastructure;*
  - (ii) \$1.0 million for the construction of Stage 1 of the Multi-Purpose Rectangular Sports Stadium;*
  - (iii) \$1.0 million for the establishment of approximately 35,000m<sup>2</sup> of public open space (including plants, lawn, paths, paving, lighting, fencing, street furniture, public art and bore upgrade and reticulation), upgrade of footpaths, street lighting and infrastructure, the construction of 40 new on-street carbays in Pier Street and 67 new on-street carbays in Brewer Street and the upgrade of the former Caretakers residence on the eastern side of the reserve (or its demolition) and associated preliminaries and headwork costs; and ...*
- (4) to borrow the following monies and authorise the Chief Executive Officer to give one (1) month's notice of the Council's intention in accordance with Section 6.20 of Subdivision 3 of PART 6 of the Local Government Act; ...*
- (b) \$3 million for the redevelopment of Perth Oval, including the upgrade of existing infrastructure, construction of a multi-purpose rectangular sports stadium and construction of a new public park of approximately 35,000m<sup>2</sup>; ...*
- (10) to authorise the Chief Executive Officer to enter into negotiations with Perth Glory Soccer Club Pty Ltd (PGSC), Soccer Association of WA and various soccer bodies, WA Rugby League, WA Rugby Union, Gaelic Football Association, Lacrosse Association, Gridiron Association, other interested sports groups and any other interested parties, for their involvement in the redevelopment of Perth Oval and use of the Multi-Purpose Rectangular Sports Stadium;*
- (11) to authorise the Chief Executive Officer to give state-wide public notice in accordance with Section 3.58 of the Local Government Act, for a period of not less than two (2) weeks of its intention to lease a part of Perth Oval to Perth Glory Soccer Club, WA Rugby League and other sporting groups, and for the Council to consider any submissions;*
- (12) to authorise the Chief Executive Officer to investigate and report back to Council on the most appropriate manner/model for the;*
- (i) financing and redevelopment of Leederville and Perth Ovals, including construction of the Multi-Purpose Rectangular Sports Stadium and associated works, including the continued operation of sporting activities associated with Leederville and Perth Ovals (including East Perth Football Club, West Australian Football League and National Soccer League fixtures) during the redevelopment period; and*
  - (ii) management options for the proposed Multi-Purpose Rectangular Sports Stadium;*
- (13) the Major Land Transaction proposals (as required by the Local Government Act 1995, Section 3.58 and Section 3.59) and Business Plans;*
-

- (i) *for the redevelopment of Perth Oval, construction of a Multi-Purpose Rectangular Sports Stadium and leasing of accommodation to Perth Glory Soccer Club and other interested sporting groups and creation of a new public park of approximately 35,000m<sup>2</sup> of public open space (Appendix 5); ...*
- and for [this] to be advertised statewide for a period of not less than six (6) weeks and inviting written submissions on the proposed undertakings and for the Council to consider any submissions received at the conclusion of this period; ...*
- (16) *for the Council to act as the Owner/Project Manager/Client for the construction of the various proposals detailed in this report;*
- (17) *to authorise the Chief Executive Officer to engage the services, invite and/or call tenders (as required), for the necessary architects and consultants to progress the proposals, assist with these matters and to provide the necessary information/advice as required;*
- (18) *to authorise the Mayor and the Chief Executive Officer to negotiate with the State Government and other parties, on matters relating to the partnership, including funding, uses, leases, and the required State Government approvals;*
- (19) *to authorise the Mayor and the Chief Executive Officer to make public this report (or any part thereof) at the appropriate time; and*
- (20) *for a further report to be submitted to Council on the most suitable timetable to carry out these works.”*

### **Progress Reports**

Progress reports have been submitted to the Council on 27 March 2002 and 23 July 2002.

### **Architects**

At the Council Meeting of Council held on 14 May 2002, Peter Hunt Architect was appointed to this project. Consultants and sub-consultants were appointed on 27 August 2002.

The Chief Executive Officer has met with the architect and project consultants on a number of occasions, in order to refine the plans and the cost estimates. The aim being to provide a facility which closely meets the initial concept plan within the cost estimate of \$11,800,000.

### **Concept Plans and Cost Estimates**

The original proposal for the Multi Purpose Rectangular Sports Stadium and redevelopment of Perth Oval redevelopment was for a staged development, estimated at \$9.8 million. (However, on 6 December 2001, the Minister for Sport and Recreation wrote to the Town and requested the Town's contribution be increased from \$3 million to \$5 million.) The project has now been costed by Rawlinsons (WA), Project Quantity Surveyors and Construction Cost Consultants.

### **Revised Concept Plans**

#### Stage 1 - May-October 2003

The majority of the stadium work is proposed to be carried out between May to October **2003**, with the exception of constructing the eastern grandstand.

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Stage 2 - Date to be determined

The site preparation and foundation for the proposed eastern stand will be completed and it is envisaged that the temporary stands currently in use will be used until the eastern grandstand is constructed. The new eastern stand food outlets and additional toilet facilities will be constructed at a date to be mutually agreed between the State Government and the Town. The date could be as early as 2005, if the need arises.

The revised plans have resulted in the following variations;

**DETAILED COST ESTIMATES:**

**Detailed cost estimates to remain confidential and will be released for public information after the Council has approved of the Building Tender for this project.**

**Additional Costs**

The revised concept plans have been costed by the project quantity surveyor, who has provided the following cost estimates as at 2 December 2002;

1. Alterations and Additions to Existing Buildings

The original cost estimate was estimated at \$1 million and the proposed costs are currently indicative at \$\*\*\*\*\* (**confidential**).

**Detailed cost estimates to remain confidential and will be released for public information after the Council has approved of the Building Tender for this project.**

2. External Services

This was originally estimated to cost \$250,000 and is currently estimated to cost \$\*\*\*\*\* (**confidential**). These costs were determined in more detail after the various consultants were engaged and the services items fully investigated and quantified. These costs are as follows:

- (a) Stormwater upgrade - \$\*\*\*\*\* (**confidential**) - new stormwater drains required. The new stadium will need an effective drainage system to cope with water run-off from the sealing areas and ensure that the pitch does not get flooded (the current system is undersized and inadequate to cope with the extra volume of water);
  - (b) Power mains - \$\*\*\*\*\* (**confidential**) – this includes all lighting and electrical features for the whole site;
  - (c) Gas - \$\*\*\*\*\* (**confidential**) – this is a nominal amount to provide gas lines to the kitchen and hot water units;
  - (d) Domestic water - \$\*\*\*\*\* (**confidential**) – the current water service is totally inadequate and this will ensure compliance with all legislative codes;
  - (e) Sewer upgrade - \$\*\*\*\*\* (**confidential**) - this is to service the four new toilet blocks and also upgrade the current main sewer line;
  - (f) Fire service - \$\*\*\*\*\* (**confidential**) – there is currently no permanent hose reels or hydrants to the site. This amount will ensure compliance with the Fire and Emergency Services Authority (FESA) and Building Codes of Australia (BCA) requirements. All representatives on the Risk Management Committee are satisfied that the existing services to the site meet current needs;
-

- (g) Preliminaries - \$\*\*\*\*\* (**confidential**) - this amount includes the project builders' costs, (e.g. start up costs, insurance, hold costs, site costs).

**Other Project Costs**

1. Consultants' Fees

This was initially estimated to cost \$\*\*\*\*\* (**confidential**) and is now estimated to cost \$\*\*\*\*\* (**confidential**) in Stage 1 and \$\*\*\*\*\* (**confidential**) in Stage 2. This is mainly attributed to the increased cost for the total project and is based on the cost estimate of \$15,568,000. If this is varied, then the consultants' fees will be proportionally varied accordingly.

2. Statutory Costs - Water and Power Headworks

This is estimated to cost \$\*\*\*\*\* (**confidential**).

3. Provision for Inflation

This is estimated to cost \$\*\*\*\*\* (**confidential**)

4. Aboriginal Heritage Act Clearances

This is estimated to cost \$\*\*\*\*\* (**confidential**).

5. Construction Contingency

An amount of \$\*\*\*\*\* (**confidential**) has been included.

**TIMELINE**

In order to maintain the adopted timeline and ensure that works are commenced in May, it is essential for the Council to make a decision prior to Christmas 2002. The indicative timeline is as follows;

<u>Project</u>	<u>Timeframe</u>
Consultation	April 2002 - August 2002
Planning	August 2002 - September 2002
Preparation of Design Brief	September/October 2002
Council Decision to Approve Revised Plans	December 2002
Preparation of Working Drawings	December 2002 - February 2003
Advertising of Tender	March 2003
Tender Assessment and Award of Contract	April 2003
Construction - Stage 1	May 2003 - October 2003
Construction - Stage 2	To be advised

The timeline of this project is extremely tight. Unless there is a decision in December 2002, there will be insufficient time to prepare all the necessary detailed plans and documentation for the project to be carried out in 2003. This would have both financial and political ramifications.

## **FINANCIAL/BUDGET IMPLICATIONS:**

### **Funding Sources**

The State Government of Western Australia initially committed \$6.8 million (\$4.5 million in 2003/04 and \$2.3 million in 2004/05) for the Multi Purpose Rectangular Sports Stadium, subject to the Town of Vincent committing \$5 million towards the rectangular stadium;

At the Special Council Meeting held on 30 October 2001, the Council approved of;

- "(i) \$1.0 million for the upgrade of the existing buildings and infrastructure;*
- (ii) \$1.0 million for the construction of Stage 1 of the Multi-Purpose Rectangular Sports Stadium;*
- (iii) \$1.0 million for the establishment of approximately 35,000m<sup>2</sup> of public open space (including plants, lawn, paths, paving, lighting, fencing, street furniture, public art and bore upgrade and reticulation), upgrade of footpaths, street lighting and infrastructure, the construction of 40 new on-street carbays in Pier Street and 67 new on-street carbays in Brewer Street and the upgrade of the former Caretakers residence on the eastern side of the reserve (or its demolition) and associated preliminaries and headwork costs; and ..."*

On 6 December 2001, the Minister for Sport and Recreation wrote to the Town advising the following;

*"Dear Mr Catania*

#### *State Sporting Facility Plan Projects*

*Thank you for your letter of 1 November 2001 detailing the recent resolutions of your council in relation to the redevelopment of Leederville and Perth Ovals, and the proposed provision of a State Indoor Multi-Use Sports Centre.*

*In respect to the State Government's commitment to these projects, I can confirm that \$6.8m (\$4.5 in 03/04 and \$2.3 in 04/05) is available for the Perth Oval redevelopment subject to:*

- Town of Vincent committing \$5m towards the rectangular stadium at Perth Oval*
- Government's Expenditure Review Committee and Cabinet's endorsement of the terms and conditions of the projects.*

*In addition, an amount of \$1.7m is to be allocated in 2004/05 to the State Indoor Sports Centre proposal, termed the Leederville redevelopment (again, endorsement is required by the Expenditure Review Committee and Cabinet).*

*In respect to the location of the Department of Sport and Recreation (DSR) at Leederville Oval, the Department of Housing and Works will need to be involved in determining the specific requirements of DSR..*

*I understand the proposition is certainly an attractive one; however, it will need to be considered in the context of a number of issues including;*

- ongoing budget implications for the department;*
  - the role of the Department of Housing and Works in endorsing*
  - accommodation proposals; and*
  - compliance with established competitive processes associated with long term "big ticket" commitments.*
-

*Officers of the department will discuss this aspect further with your council representatives over the next few weeks.*

*Yours sincerely*

*ALAN CARPENTER MLA  
MINISTER FOR SPORT AND RECREATION*

On 4 December 2002, the Department of Sport and Recreation provided the following information to the Town;

1. The Minister for Sport and Recreation *“is supportive of the proposal to stage the project as it continues to meet government policy, availability of funding, sporting user needs and expectations”*;
  2. Terms and Conditions to be included into the Financial Assistance Agreement;
    - (a) the Department of Sport and Recreation will act as agents on behalf of the State Government of Western Australia and must be involved in discussions and decisions made in regard to future management and use of Perth Oval;
    - (b) the State Government of Western Australia will not accept responsibility for any deficits incurred with operating the venue, nor will it require a portion of any profit from operating the venue, should this eventuate;
    - (c) management of the venue will be via a public tender process;
    - (d) naming rights, catering and sponsorship will be via a public tender process;
    - (e) a Management Committee/Board be established that includes the Department of Sport and Recreation to oversee the operation of the facility and to provide regular updates to the Minister for Sport and Recreation;
    - (f) the facility be made available to as many sporting groups as the facility design permits, including cultural and artistic events and significant occasions such as World Championships, Commonwealth Games, etc; and
    - (g) maintenance of the venue will be the responsibility of the Town of Vincent.
  3. The Minister for Sport and Recreation has recommended to the State Government of Western Australia Expenditure Review Committee;
    - (a) that the revised plan to redevelop Perth Oval be approved and proceed to the construction phase;
    - (b) that it be noted that the revised total project cost for Stage 1 is \$10,548,000;
    - (c) that the State Government financial commitment to the project be revised to \$4,500,000 in 2003/2004 and \$1,579,000 in 2004/2005;
    - (d) that the Town of Vincent be required to fund \$4,469,000;
    - (e) that the terms and conditions as outlined in this report be included in the Financial Assistance Agreement to be executed on the State Government's behalf by the Crown Solicitor's Office; and
    - (f) that savings of \$421,000 be retained within the Department of Sport and Recreation's budget to assist with future State Sporting Facility projects.
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**FUNDING SHORTFALL OPTIONS**

The total project has been costed at \$14.8 - \$15.498 million (dependant upon which year that Stage 2 is completed.) There are insufficient funds to complete the whole project. The following options are available to reduce the total cost.

**1. REDUCE THE PROJECT SCOPE OF WORKS**

The current concept plans indicate a modest facility incorporating both existing and new structures, providing a capacity of 19,250. The Project Architect and Consultants consider that the original budget of \$11.8 million is inadequate and to reduce the scope of works would compromise the overall project. However, this can be achieved in the following manner;

**(a) Complete Stage 1 Works only (currently estimated at \$10.548 million):**

Stage 1 will encompass all refurbishment works to the existing grandstand, creation of the "bowl" and surrounding seating, construction of three new toilet blocks, compliance works for safety and security and the site preparation and foundations for the proposed eastern stand and use of temporary stands.

Advantages

- Within original scope
- Within current budget
- Minimal disruption to users
- Facilities upgraded
- Meets current patron numbers (of 17,850)

Disadvantages

- Stadium will be incomplete
- Completion costs will be increased
- User needs not fully met
- Capacity maximum 17,850 (1,650 less than the desired number)

**(b) Modification to Eastern Grandstand:**

The estimated cost is \$\*\*\*\*\* (confidential).

This option is based on Stage 1 (in 2003/2004) and Stage 2 (in 2005/2006) works. Proposed eastern grandstand can be modified as follows;

<u>Modification</u>	<u>Current Cost</u>	<u>Cost Saving</u>
Delete grandstand roof	\$***** (confidential)	\$***** (confidential)
Delete coterie fitout	\$***** (confidential)	\$***** (confidential)

Advantages

- Will provide cost savings
- Minimal disruption to users

Disadvantages

- Grandstand will be incomplete
- Future completion costs will be increased
- User needs not fully met
- Weather may limit usage
- Revenue potential reduced
- Reductions will not meet budget target

**This Option is not recommended**

(c) **Reducing the capacity of the Eastern Grandstand:**

Reducing the capacity of the grandstand can save \$\*\*\*\*\* (confidential) per bay. Each bay has a capacity of approximately 350 people. If two bays are deleted, potentially \$\*\*\*\*\* (confidential) can be saved. However, some temporary seating will need to be installed, in order to maintain the stadium capacity. This would cost approximately \$\*\*\*\*\* (confidential) per annum. This option alone would not solve the funding shortfall.

This option is not recommended by the Project Architects and Consultants.

Advantages

- Total cost will be reduced

Disadvantages

- Grandstand will be incomplete
- Future completion costs will be increased
- User needs not fully met
- Weather may limit usage
- Revenue potential reduced
- Reductions will not meet budget target
- Grandstand capacity reduced by 350 persons per bay
- Increased costs using temporary stands

(d) **Modify the Eastern Stand by a combination of (b) and (c):**

A combination of (b) and (c) to modify the eastern stand could potentially save \$\*\*\*\*\* (confidential). Again, this alone would not solve the funding shortfall.

Advantages

- Total cost will be reduced by \$\*\*\*\*\* (confidential)

Disadvantages

- As above.

**This Option is not recommended – it is preferable to carry out a staged project.**

2. **INCREASE THE PROJECT BUDGET**

(a) **Government to Increase its Contribution**

The Council's original proposal (Special Meeting of Council 30 October 2001) was on the basis that the Council would borrow \$3 million and this would be recovered from the users (particularly PGSC) of the proposed stadium in the terms of office/clubroom rent and stadium licence to use fees. In addition, revenue would be obtained by the selling of the facility naming rights, catering (food and beverage) rights, management and sponsorship rights.

The Government's request for the Town to contribute \$4.469 million can be achieved, however this will require further investigation. Further investigations can only be commenced once the project costs and final design is known.

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**(b) Town to Provide Additional Funds**

The Town's current funding commitment to all of its sporting facilities is currently \$4,020,000 spread over three financial years. It is considered that it is beyond the means of the Town to provide additional funds to the Multi Purpose Rectangular Stadium - which is considered to be a State/Regional Facility.

<u>Project</u>	<u>2002/2003</u>	<u>2003/2004</u>
Leederville Oval	\$2,794,340	
State Indoor Multi Use Sports Centre		\$1,300,000

**(c) User Groups to Provide Additional Funds**

It is considered beyond the means of the user groups to provide additional funds above the current proposed (yet to be negotiated) commitment/request of \$4.469 million.

**3. PROJECT TO BE BUILT IN TWO STAGES**

It is considered that the current plan and proposal, estimated to cost \$14.8 - \$15.498 million will meet the needs of all stakeholders. Stage 1 works are estimated to cost \$10.548 million. A staged project is recommended by all stakeholders. It is recommended to defer Stage 2 of the project over several financial years and this would allow the government to budget for the additional cost. However, this will incur additional costs (e.g. escalation, staging costs), depending upon how long Stage 2 is deferred.

On 20 November 2002, a meeting was held with the Minister for Sport and Recreation, Department of Sport and Recreation officials and Project Architects. Various options were canvassed. The Minister for Sport and Recreation is supportive of a staged project, as detailed in this report.

**4. PROJECT DEFERRAL**

This option is not recommended as it will only incur additional costs due to escalation.

**FUNDING OPTIONS****ORIGINAL COUNCIL PROPOSAL 30 OCTOBER 2001:**

<b>Year</b>	<b>Town</b>	<b>Government</b>	<b>Total</b>
2003/04	*\$3,000,000	\$4,500,000	\$7,500,000
2004/05	\$0	\$2,300,000	\$2,300,000
<b>Total</b>	\$3,000,000	\$6,800,000	\$9,800,000
<b>%</b>	30.61	69.39	100

\* (Others to be determined)

**GOVERNMENT PROPOSAL 6 DECEMBER 2001:**

<b>Year</b>	<b>Town</b>	<b>Government</b>	<b>Total</b>
2003/04	\$5,000,000	\$4,500,000	\$9,500,000
2004/05	0	\$2,300,000	\$2,300,000
<b>Total</b>	\$5,000,000	\$6,800,000	\$11,800,000
<b>%</b>	42.37	57.63	100

**PROPOSED OPTION DECEMBER 2002:**

<b>Stage 1</b>			
Year	Town	Government	Total
2003/04	\$4,469,000	\$4,500,000	\$8,969,000
2004/05	0	\$1,579,000	\$1,579,000
<b>Total</b>	\$4,469,000	\$6,079,000	\$10,548,000
<b>%</b>	42.37	57.63	100

<b>Stage 2</b>			
Year	Town	Government	Total
To be decided	0	* \$4,950,000	* \$4,950,000
<b>Total</b>	0	* \$4,950,000	* \$4,950,000

\* To be negotiated – see amendment to clause 3(iii)(b)

Note: A total refurbishment in two stages has been estimated to cost \$14.8 - \$15.498 million (as at 2 December 2002).

The recommended option would:

1. Require the **Town of Vincent** to approve of the new funding arrangement and commit to additional funding of \$1,469,000.

**Total Contribution: \$4,469,000**

2. Require a **State Government** contribution of \$11,029,000. ~~That is, \$6,079 million in Stage 1 and \$4.95 million in Stage 2.~~

**Total Contribution: ~~\$11,029,000~~ \$6,079,000**

**TOTAL: ~~\$15,498,000~~ \$10,548,000**

The State Government's funding for Stage 1 works is spread over two financial years. Only \$4.5 million will be available in 2003/04. ~~The Council should insist that the State Government brings forward the \$1.579 million proposed for 2004/05 and this be paid in October 2003.~~ (See amendment to clause 3(iii)(b).)

**TOWN'S FUNDING SOURCES**

The Town would borrow funds of \$4.469 million to cover the Town's contribution.

**Loan Details (Indicative)**

Information has been obtained from a government lending organisation and they advise as follows;

1. A variety of loan combinations can be provided to suit the borrower's needs and the maximum term of any loan is a period of 20 years.
2. A combination of loan portfolios is recommended to suit the Town's needs and this would be the subject of further discussions. The loan structure can be tailored to have any number of loan combinations and review periods. Once the Town has determined its position, they can quickly prepare the most appropriate loan structure.
3. Borrowings for an amount of \$4.469 million could attract indicative interest rates in the range of 5.58% to 6.11% with repayments being as low as \$\*\*\*\*\* (**confidential**) per annum (6.11%) - this is a principle and interest loan.



4. The Town could defer any loan repayments for the first six months whilst construction is being carried out.
5. A tender will need to be called for the loan funding.

#### **Comments**

1. The sale of catering (food and beverage) rights, management rights, marketing and sponsorship rights and naming rights would be by public tender – as prescribed in the Local Government Act 1995.
2. The Town should require the Directors/Owners of Perth Glory Soccer Club (PGSC) to personally guarantee the term of the lease for the duration of the loan period. This would be a legal agreement. This agreement will safeguard the Town's contribution. Mr Tana, owner of PGSC (75%) and Mr Rodwell (25%), have previously verbally agreed to this condition.

PGSC are cognisant that they would need to make a tender submission for the various tenders and to be successful, they would obviously need to be very competitive.

The Chief Executive Officer is of the view that the Town's loan borrowings can be successfully serviced from the revenue generated by the above. The various tender documentation requires further investigation.

**Therefore, this redevelopment proposal does not require any of the Town's rates income to be used for this redevelopment project.**

#### **Building Value**

The current buildings on Perth Oval, excluding the recently restored heritage gates are in a very poor condition and have an insured value of \$3.6 million. The redevelopment of Perth Oval will increase the value of the Town's building assets to approximately \$14 million in Stage 1 and approximately \$18.95 million in Stage 2.

#### **LEGAL/POLICY IMPLICATIONS:**

The Local Government (Functions and General) Regulation 1996 and the Local Government Act 3.57 specifies requirements relating to tenders.

A proposal to lease land is required to be advertised for public comment for a period of two weeks. (Local Government Act, Section 3.58.)

The Local Government (Functions and General) Regulations 1996, Regulation 8, states;

*“(1) a land transaction is an exempt land transaction for the purposes of Section 3.59 of the Act, if the local government enters into it –*

*(a) without intending to produce profit to itself; and*

*(b) without intending that another person will be sold, or given joint or exclusive use of, all or any of the land involved in the transaction.”*

The Western Australian Planning Commission (WAPC) is the approving authority for Perth Oval. The Council will be required to refer the development application to the WAPC. Approval of the Heritage Council of Western Australia is also required. A clearance under the Aboriginal Heritage Act will also be necessary.

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The State Government of Western Australia will require the Town to enter into a Financial Assistance Legal Agreement. This document, in essence, protects the State Government's financial contribution in this project. It will also detail any specific requirements. A draft document has been provided to the Town, however until the final project cost, staged works and details have been approved in principle, there has been no further work on the draft documentation.

The Local Government Act 1995 Section 6.20 requires the Council to give one month's public notice of its intention to borrow monies.

#### **STATEMENT OF IMPACT:**

In accordance with the Town's Standing Orders, the Chief Executive Officer is required to prepare a "Statement of Impact" of the legal and financial consequences of the proposed change of Council decision.

##### **1. Legal Consequences**

There are no legal impediments associated with the changing of the Council's previous decision.

##### **2. Financial Consequences**

As the Council has not given final approval to any redevelopment financial costings, the impact on the Council is detailed in this report under the heading "Financial Implications".

#### **MAJOR LAND TRANSACTION**

The Local Government Act 1995, Sections 3.58 and 3.59 requires Business Plans for Major Land Transactions to be advertised state wide for a period of not less than six (6) weeks and inviting written submissions on the proposed undertakings and for the Council to consider any submissions received at the conclusion of this period.

#### **ADVERTISING/COMMUNITY CONSULTATION:**

On 15 July 2002, the Chief Executive Officer, Manager Law and Order Services and Manager Engineering Design Services made a presentation to the Forrest Precinct Group concerning parking arrangements around Perth Oval and also the proposed Multi Purpose Rectangular Sports Stadium. This was positively received by the Precinct Group. A presentation was provided to the Hyde Park Precinct Group on 19 August 2002 and the Loton Park Tennis Club on 13 September 2002. The presentations were positively received. The Tennis Club has subsequently submitted a concept plan requesting additional tennis courts and parking on Perth Oval. This will be the subject of further investigation.

#### **User Group Consultation**

Detailed User Group consultation will need to be carried out by the Project Architect to ensure their requirements are met. As a consequence, the concept plans may need to be amended to meet their needs.

In accordance with the Town's Community Consultation Policy, the Major Land Transaction will need to be advertised on a state-wide basis for a period of six (6) weeks and for the Council to consider any submissions received. It is recommended that this be commenced in mid to late January 2003. In addition to the normal consultation in state-wide and local newspapers, placing on the Town's web page and writing to community and business groups,

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it is proposed to carry out a letter box drop to all properties in the area bounded by the railway line (east), Walcott Street (north), Beaufort/Vincent and William Streets (west), and Newcastle Street (south). Submissions would be received up to 4pm on 28 February 2002.

**STRATEGIC IMPLICATIONS:**

The upgrade and redevelopment of Perth Oval is in accordance with the Town's Strategic Plan 2002-2002 Key Result Area 3.6 *"Develop and Implement Strategies to improve the Town's Parks and Reserves"*, in particular, Key Result Area 3.6(a) - *"Investigate and Develop the future of Perth Oval"*.

The relocation of PGSC and Rugby League administration to Perth Oval will attract additional visitors to the area throughout the year and will provide additional patronage to the local business community.

This is in keeping with the Town's Draft Strategic Plan (yet to be adopted) – Key Result Area *"Economic Development"*.

The upgrade of Perth Oval is listed in the Town's Principal Activities Plan.

The Multi Purpose Rectangular Sports Stadium has been designed to accommodate five sporting disciplines, including soccer, rugby league and rugby union, gaelic football, men's and women's lacrosse. It is proposed to provide accommodation for soccer, rugby league and lacrosse in the refurbished grandstand.

**COMMENT:**

The Town's partnership with the State Government of Western Australia to provide upgraded and new sporting facilities within the Town of Vincent, as part of the State Sporting Facilities Plan will be a major benefit to the Town, its residents, ratepayers and also taxpayers. This proposal will relieve the Town of an expensive burden to upgrade and/or maintain the rundown facilities of Perth Oval."

**Ron Alexander thanked the Council for the decision and the assistance and cooperation provided in the partnership with the State Government of WA.**

**Peter Hunt also thanked the Council for the decision of approval and stated that the redevelopment project will provide a vast improvement on the existing facilities.**

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