

**3.4: \$1.4 BILLION REGIONAL DEVELOPMENT ASSISTANCE GRANT
FUNDING APPLICATION**

Proponent	: City of Albany- Funding Opportunity
Business Entity Name	: Government of Western Australia – Developing Regional Western Australia
Attachments	: Landcorp Regional Development Assistance Program – Submission Information Guide
Responsible Officer(s)	: Executive Director Works and Services (K Ketterer)

IN BRIEF

- To seek approval of Council's preferred project to be submitted to the Regional Development Assistance for funding.

9.53pm Councillor Wolfe and Mayor Evans left the Chamber after declaring an Impartiality interest.

ITEM 3.4: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: SIMPLE MAJORITY

THAT the Centennial Park project be APPROVED as the project to be included in round one of the Regional Development Assistance funding application, to the amount of \$11million.

ITEM 3.4: AMENDED RESPONSIBLE OFFICER RECOMMENDATION

- THAT the Centennial Park project be APPROVED as the project to be included in round one of the Regional Development Assistance funding application, to the total project amount of \$11million, with a grant request amount from Regional Development Assistance of \$3.2m
- THAT the draft 2011/12 budget include an amount of \$0.3m as Council's contribution to this project, for consideration

ITEM 3.4: RESOLUTION (Amended Responsible Officer Recommendation)

**MOVED: COUNCILLOR MATLA
SECONDED: COUNCILLOR PAVER**

THAT the Amended Responsible Officer Recommendation be ADOPTED.

CARRIED 10-0

Staff Reason (K Ketterer):

Recommendation amended to more clearly reflect the intention of the recommendation, and to clarify the financial and budgetary aspects.

BACKGROUND

1. The Federal Government has recently announced a five year funding stream for regional development, and applications have been invited for submission. The aim of the funding stream is to support regional infrastructure projects which will significantly improve economic and social outcomes and build on unique regional capabilities, capacities and potential.
2. Projects should support at least one of the following Commonwealth priorities:
 - Skilling Australia
 - Lifting productivity
 - Maximising the opportunities for broadband
 - Sustaining our environment
 - Social inclusion
 - Water and energy efficiency
3. As part of the assessment advice required for the funding, advice from state, territory, local government and other bodies is sought. The Regional Development Australia (RDA) Great Southern WA Regional Plan 2010-2020 (draft) is a document prepared by the Regional Development Australia, Great Southern WA, which is sourced by the funding body to determine regional needs.
4. Funding is restricted to local authorities or incorporated non-for-profit organisations.
5. Funding is available between \$500,000 and \$25million (GST exclusive) per project.
6. Funding will only be considered for projects which are “investment ready”. It is expected that all planning, rezoning, environmental and/or native title approvals are in place.
7. Projects are to be commenced within six months of signing the funding agreement and completed by 2013-14, contribute to the national priority listing, and for projects over \$5 million, demonstrate a broader regional benefit and support other regional stakeholders.
8. Partner funding will be expected from other sources for all project grants, and those over \$5 million will be required to be matched on at least a dollar for dollar basis (excluding funding from other Australian Government sources).
9. Round one submission will close on 13 May 2011. Round two submissions closing date is yet to be specified, it is anticipated that the submission period will close end of 2011.

DISCUSSION

10. Departments have been requested to submit projects which they would consider to be relevant to this application. The following three projects are considered the most appropriate for consideration, fulfilling the above criteria.

- **Centennial Park**

Funding Criteria/outcomes – regional sporting facilities

RDA – GS WA - Great Southern Regional Plan.

Outcomes:

- Sustaining our environment
 - Social inclusion
 - Water and energy efficiency
 - Regional sporting facilities;
 - Development of a diverse sport and recreation system;
 - Ability to attract and retain volunteers;
 - Opportunity to link fitness services with government funded lifestyle modification programs;
 - Opportunity to co locate sporting facilities;
 - Encourage participation, develop talent and contribute to the health and wellbeing of residents within the region.
- Priorities for the actual spend of these funds should they be awarded will be determined by the sporting groupings which currently form the consultative committee on this project.
 - The Department of Sport and Recreation (DSR) matched funding application will be submitted once the result of this RDA application is known, but the verbal indications from that Department are that should Federal funding be obtained, the DSR funding will be available.

Total

	<u>\$11m</u>
RDA Contribution	\$3.2m
Royalties for Regions-Country Local Government Fund	\$2.67m
(NB Funding is confirmed as being available for the four year period, subject to approval of the business case still to be submitted, anticipated to be submitted in 11/12, after consultations with the community groupings have been concluded)	
Department of Sport and Recreation (DSR) matched funding	\$4.8m
(NB: the exact amount available from DSR will require confirmation, as this information was not available at the time of writing this report.)	
Council contribution (proposed from 2011/12 budget)	\$0.3m

REFER DISCLAIMER

- **Town Square construction, CBD road works and Town Hall improvements**

Funding Criteria/outcomes – social inclusion

RDA – GS WA - Great Southern Regional Plan.

Outcomes:

- Social inclusion;
- Water and energy efficiency;
- Skilling Australia;
- Lifting productivity;
- Link like-activities to enable the development of region wide projects;
- Assist the arts to progress as an economic and social contributor to the region;
- Hosting high quality art exhibitions;
- Provide a focus for visual art activity in the region;
- Professional development opportunities for artists and educational benefits for students and the wider community.
 - Town Square - development and construction between the library and the Town Hall \$2.9m
 - Town Hall – removal of tiered seating and creation of flat floor, and repair to damaged historical structures and walls \$1.5m
 - York St upgrade – creation of median island parking and safe pedestrian crossing points in section between Serpentine Rd and Grey St, in front of Town Hall \$1.0m
 - Albany Highway upgrade – York St to Sanford Rd. - undergrounding of electrical power, parking on median island and narrowing of lanes to one in each direction \$2.4m

Total **\$7.8m**
Council contribution (proposed from 2011/12 budget) **\$3.9m**

- **Albany Highway upgrade – Chesterpass Highway to Sanford Road**

Funding Criteria/outcomes – social inclusion

RDA – GS WA - Great Southern Regional Plan

Outcomes:

- Lifting productivity
- Social inclusion

The proposed work include the following elements -

- undergrounding of electrical overhead cables
- new street lighting
- provision of new pathways
- provision of cycle ways
- landscaping
- drainage improvements.
- road resurfacing as necessary

Total **\$9.8m**
Council contribution(proposed from 2011/12 budget) **\$4.9m**

****REFER DISCLAIMER****

11. The Centennial Park project is considered to be the most applicable, as:
 - a. There is a 2008 State Liberal government commitment of support the development of the Centennial Park redevelopment with a total contribution of \$8m. The Department of Sport and Recreation is tasked with managing this funding, based on a matching contribution arrangement. Of the funding amount, approximately \$3.2m has already been expended on the Albany Leisure and Aquatic Centre Stage 2 and North Road soccer fields.
 - b. The Royalties for Regions Country Local Government Fund-Regional Partnerships is a state funding opportunity, based on partnerships with adjoining local authorities for projects of regional significance. The Shire of Denmark and the City of Albany have entered into a Memorandum of Understanding for regional projects, one of which is Centennial Park Recreation Precinct Masterplan. At its February 2011 meeting, Council agreed to proceed with a joint funding application, using Royalties for Regions funding of \$2.67m (over a three year period from 2012/13 to 2014/15) and matching Department of Sport and Recreation funds totalling \$2.67m.
 - c. A co-contribution from Council of \$0.3m would supplement the cost of the project.
 - d. It builds on design and consultation work already in progress.
 - e. Addresses the broader regional benefits of providing a regional sporting precinct for the Great Southern region.
12. It is noted that while the funding co-contributions rely on other State government sources, each has already been consulted and, to determine their support for the Centennial Park Recreational Precinct. Formal application has been submitted to the Royalties for Regions Country Local Government Fund, while DSR are awaiting completion of an Albany Leisure and Aquatic Centre user group survey before prioritising the various projects within the Precinct proper.
13. The other two projects would require a Council contribution of a full 50 percent at the time of writing, as other potential contributors have not been identified.

GOVERNMENT CONSULTATION

14. With the three projects, each has required various levels of consultation with State government, to determine planning requirements, public utility conditions, etc to ensure the appropriate approvals are either in place, or are known for actioning, once the project proper is approved.

PUBLIC CONSULTATION / ENGAGEMENT

15. Approximately 12 months ago, Council consulted widely with community groups through the "Working Together" programme. The working together program identified community projects that could be progressed in future funding was made available and the funding criteria met. Even though the submission is 12 months old, they have been reviewed and are still regarded as valid.
16. Each project has been through a consultative process with its relevant stakeholders, to ensure the project has the support of its direct users and the input of affected ratepayers. The Centennial Park project has sought comment from its user group; the Town square

project has sought feedback from the local community, while the Albany Highway Upgrade has been a long standing project seeking input from affected stakeholders.

STATUTORY IMPLICATIONS

17. An application for external funding does not require any legislative approvals, but should the funding be approved, the project itself may attract legislative conditions, such as planning approvals, building licences, environmental approvals, etc all of which would be attended to during the project life. The funding agreement may also require legislative conditions, such as Freedom of Information statements, or Record keeping conditions, as per the State records Act, but once again these would be adhered to, once approval for funding has been obtained.

STRATEGIC IMPLICATIONS

18. This item directly relates to the following elements from the Albany Insight ~ Beyond 2020 Corporate Plan...

Community Vision:
Nil

Priority Goals and Objectives:

Goal 4: Governance... The City of Albany will be an industry leader in good governance and service delivery.

Objective 4.3 Deliver excellent community services that meet the needs and interests of our diverse communities.

City of Albany Mission Statement:

At the City of Albany we are accountable and act as a custodian with respect to Council Assets.

POLICY IMPLICATIONS

19. There is no Council policy regarding external funding applications.

RISK IDENTIFICATION & MITIGATION

The risk identification and categorisation relies on the City’s Risk Management Framework.

Risk	Risk Analysis	Mitigation
If funding not secured project would be delayed	Medium	If not successful on funding application, works will not able to be carried out as a total project unless alternative funding can be secured.
If delayed or not undertaken.	Medium	Project currently under consideration for R4R funding which has a high probability of success, under the MOU with the Shire of Denmark.

FINANCIAL IMPLICATIONS

- 20. There are no immediate financial implication in submitting this application, save for staff time and associated costs in the preparation of the application.
- 21. Should the funding application be successful, Council staff would be enlisted to project manage the approved project. The three funding sources provisions would form the core finances for the project, with Council to determine the source of its contribution of \$0.3m.
- 22. In the long term, the maintenance costs would become part of the ongoing budgetary process. It will be a condition of premises leased to sporting/community groups, that the maintenance and operating costs of the new facilities will be their responsibility.

LEGAL IMPLICATIONS

- 23. There are no legal implications in completing the funding application, but, should the funding be successful, Council will be required to sign an agreement for funding, which will include timelines, payment arrangements, acquittal conditions, etc.

ALTERNATE OPTIONS

- 24. The Council may decline the funding opportunity, and defer the project, until the Council is in a better financial position to progress the preferred project.

SUMMARY CONCLUSION

- 25. While there have been three projects identified that may be applicable to this funding opportunity, it is recommended that Council support the Centennial Park Recreation Precinct project as:
 - It already has the support of State government;
 - It has potential co-contributions from other funding sources;
 - The co-contributions will help offset Council’s financial burden for the development of a regional facility; and
 - It addresses the broader regional benefits of providing a regional sporting precinct for the Great Southern region.

Consulted References	Department of Regional Australia, Regional Development and Local Government’s Regional Development Australia Fund
File Number (Name of Ward)	GS.APC.3 (All Wards)
Previous Reference	OCM 15.12.09 item 15.2.2; kOCM 15.02.11 item 3.1

9.54PM Mayor Evans and Councillor Wolfe returned to the Chamber.