

1.4: ALLOCATION OF FUNDS FOR PROPOSED ESPLANADE COMMUNITY PARK

Proponent : City of Albany
Owner : WPC Plaza (Albany) Pty Ltd
Responsible Officer(s) : Chief Executive Officer (F James)

IN BRIEF

- Proposal to commit funds from the 2011-12 budget and support a further proposal for 2012-13 budget funds allocation which will enable the City to plan for and construct an Esplanade Community Park if the City is able to secure a lease of 1-7 Flinders Parade.

**ITEM 1.4: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: ABSOLUTE MAJORITY**

THAT Council:

APPROVE funds to the amount of \$30,000 from the 2011-2012 financial year budget and support a further \$30,000 in the 2012-13 financial year budget for the design and development of an Esplanade Community Park on 1-7 Flinders Parade, Middleton Beach (commonly known as the Middleton Beach Hotel site).

CEO:

BACKGROUND

1. As a result of defective development condition approvals, the Middleton Beach Esplanade Hotel was demolished a few years ago, with no building being subsequently built on 1-7 Flinders Parade.
2. The resultant vacant block has had a security fence erected to prevent public access to the property (for insurance/liability purposes) and has been left by the private owners to “waste”, including becoming weed infested and more prone to sand drift, with detrimental visual, economic and social amenity impact.
3. This situation has distressed and angered community residents that use the Middleton Beach area.

DISCUSSION

4. The City’s CEO and the previous and current Mayor have approached the site owners agents to ascertain the possibility of the City leasing the site for use as a Public Open Space until the owner or investors are in a position to commercially develop the site. The response has been somewhat positive from the owners of the property.
5. Should the City lease the property from the owners to develop a low maintenance, low cost Park this would result in the removal of the security fence, make the site safe for public use of the area until the owner/s determine to invest in the site for development, and generally enhance the public amenity of the Middleton Beach area.
6. The owner/s requested the City to investigate other “incentives” such as a reduction in State land tax. The City has advised the owner/s it has no power to influence State taxes but may consider other incentives such as reduced City of Albany rates if the lease terms were suitable.
7. The City is interested in seeking a positive resolution to this situation which meets community expectations.
8. For economic (amortisation) purposes, it is proposed to seek a lease agreement to cover an initial two to three years, with further options until development of the site commences.
9. If this proposal is successful, the City will be creating a parkland for use by the community, through community volunteer involvement and “ownership”.

GOVERNMENT CONSULTATION

10. Not applicable

PUBLIC CONSULTATION/ENGAGEMENT

11. Initial community engagement has occurred through the Middleton Beach Users Group and Frederickstown Progress Association, which has highlighted concerns about the lack of development on the site and the current “negative” visual impact of the site. Feedback also indicates that the precinct generally is suffering economically and any improvement in the area generally would be welcome.

STATUTORY IMPLICATIONS

12. Local Government Act 1995

6.8 Expenditure from municipal fund not included in annual budget

(1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure-

- Is incurred in a financial year before the adoption of the annual budget by the local government;
- Is authorised in advance by resolution*; or
- Is authorised in advance by the mayor or president in an emergency.

* Absolute majority required

STRATEGIC IMPLICATIONS

13. This item directly relates to the following elements of the 2011 City of Albany Strategic Plan:

Community engagement

Maintain Albany’s uniqueness and preserve its heritage. This point has been highlighted by various community consultations.

Lifestyle and environment

A built environment that includes parks and public areas to improve lifestyle quality.

Consulting with community to maintain a “community area” although it might be short term(2 years) for use by multiple groups.

Sustainability and Development

Adopting green city principals and support the community to make a tourist area more vibrant that will attract people and business. Preservation of Albany’s uniqueness by developing areas such as beach precincts to be more aesthetically pleasing.

Community Focussed Organisation

The City is in touch with the needs and wishes of the local community to reduce the negative impact of the vacant lot.

POLICY IMPLICATIONS

14. The introduction of incentives regarding rate payment would require a Council resolution regarding the introduction of a further differential rate, applicable to related property type/group.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
1-7 Flinders Parade, Middleton Beach is private property and the owner may not lease	Possible	Medium	Medium	Secure lease agreement with terms suitable to the owner to maintain the site as public open space for as long as possible.
Inability to fund development beyond a certain amount	Possible	High	High	Allocate funds to suit low cost project with very defined scope.

FINANCIAL IMPLICATIONS

16. In addition to possible incentives to the owner of reduced rates in the 2012-13 financial years, a total value of \$60,000 (\$30,000 is proposed for this financial year from CEO discretionary funds). In the 2012-13 budget a further \$30,000 in project funds would be sought to allow finalisation of the project.
17. The funds will be used to develop a park design and implement construction including community consultation sessions.
18. Funding will also be used for removal of the security fence, and remediating the hazards on the site such as steep embankments, protruding service connections, weed control and mitigation of sand drift by mulching and vegetating.

LEGAL IMPLICATIONS

19. Should Council support the project, a lease agreement would be required to allow works to commence on the private property.

ALTERNATE OPTIONS

20. Council can accept or reject this proposal.

SUMMARY CONCLUSION

21. If the City of Albany can secure a lease agreement with the landowners for at least two years then the project can be justified economically and should go ahead to restore the visual and social amenity of the Middleton Beach area as a premier tourist destination.
22. Investment in this site by the City, even in the short term, would demonstrate the commitment of the City of Albany to this precinct and to addressing the concerns of resident community members.

Consulted References	Local Government (Functions and General) Regulations 1995
File Number (Name of Ward)	
Previous Reference	