



AGENDA

COMMERCIAL, COMMUNITY AND CORPORATE SERVICES COMMITTEE

8 August 2017

6.00pm

City of Albany Council Chambers

**CITY OF ALBANY
COMMUNITY STRATEGIC PLAN (ALBANY 2023)**

VISION

Western Australia's most sought after and unique regional city to live, work and visit.

VALUES

All Councillors, Staff and Volunteers at the City of Albany will be...

Focused: on community outcomes

This means we will listen and pay attention to our community. We will consult widely and set clear direction for action. We will do what we say we will do to ensure that if it's good for Albany, we get it done.

United: by working and learning together

This means we will work as a team, sharing knowledge and skills. We will build strong relationships internally and externally through effective communication. We will support people to help them reach their full potential by encouraging loyalty, trust, innovation and high performance.

Accountable: for our actions

This means we will act professionally using resources responsibly; (people, skills and physical assets as well as money). We will be fair and consistent when allocating these resources and look for opportunities to work jointly with other directorates and with our partners. We will commit to a culture of continuous improvement.

Proud: of our people and our community

This means we will earn respect and build trust between ourselves, and the residents of Albany through the honesty of what we say and do and in what we achieve together. We will be transparent in our decision making and committed to serving the diverse needs of the community while recognising we can't be all things to all people.

Commercial, Community and Corporate Services Committee

- (1) **Functions:** The Committee is responsible for the following functions:
- Commercial Services:
Considering and recommending to Council ways to strengthen the local Albany economy.
The delivery of “*Smart, Prosperous and Growing Objectives*” contained in the City of Albany Strategic Plan:
- Foster links between education, training and employment that support economic development.
 - Strengthen our region’s economic based.
 - Develop and promote Albany as a unique and sought after visitor destination.
- Community Services:
The delivery of “*Sense of Community Objectives*” contained in the City of Albany Strategic Plan:
- Build resilient and cohesive communities with a strong sense of place and community spirit.
 - Create interesting places, spaces and events that reflect our community’s identity, diversity and heritage.
 - Develop and support an inclusive and accessible community.
 - Provide advice on effective ways to engage and report progress to the Community.
- Corporate Services:
Monitoring and commenting on the financial health and strategies of Council.
The delivery of “*Civic Leadership Objectives*” contained in the City of Albany Strategic Plan:
- Establish and maintain sound governance structures.
 - Provide strong, accountable leadership supported by a skilled and professional workforce.
 - Engage effectively with our community.
 - Governance:
 - Review of Council's policies;
 - Supporting Elected Members in their governance role;
 - Developing amendments to existing, or new, local laws;
 - Consideration of the Council's draft Strategic Plan;
 - Consideration of the Council's draft Annual Report;
 - Matters pertaining to the conduct of the Council's Annual General Meeting;
 - Consideration of the proposed meeting schedule for Council and its Committees;
 - Receiving reports from Council representatives on outside bodies, and from other bodies as determined by Council; and
 - Considering matters not falling within the terms of reference of any other Council committee.
 - Service Complaint Internal Review: Responsible for reviewing unresolved service complaints, in accordance with the Service Complaints Policy.
- (2) **It will achieve this by:**
- (a) Developing policies and strategies;
 - (b) Establishing ways to measure progress;
 - (c) Receiving progress reports;
 - (d) Considering officer advice;
 - (e) Debating topical issues;
 - (f) Providing advice on effective ways to engage and report progress to the Community; and
 - (g) Making recommendations to Council.
- (3) **Membership:** Open to all elected members
- (4) **Meeting Schedule:** Monthly
- (5) **Meeting Location:** Council Chambers
- (6) **Directorates:** Corporate Services, Community Services, Commercial Services
- (7) **Executive Officer(s):** Executive Director Corporate Services, Executive Director Commercial Services, Executive Manager Community Services
- (8) **Delegated Authority:** None

TABLE OF CONTENTS

	Details	Pg#
1.	DECLARATION OF OPENING	4
2.	PRAYER AND ACKNOWLEDGEMENT OF TRADITIONAL LAND OWNERS	4
3.	RECORD OF APOLOGIES AND LEAVE OF ABSENCE	4
4.	DISCLOSURES OF INTEREST	5
5.	RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE	5
6.	PUBLIC QUESTION TIME	5
7.	PETITIONS AND DEPUTATIONS	5
8.	CONFIRMATION OF MINUTES	5
9.	PRESENTATIONS	5
	ALBANY HERITAGE PARK – FY 2016-17 REPORT	
10.	UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS	5
	REPORTS	
CCCS043	FINANCIAL ACTIVITY STATEMENT- MAY 2017	6
CCCS044	LIST OF ACCOUNTS FOR PAYMENT- JULY 2017	8
CCCS045	DELEGATED AUTHORITY REPORTS	10
CCCS046	YOUTH FRIENDLY ALBANY STRATEGY	11
CCCS047	COMMUNITY SPORTING AND RECREATION FACILITIES FUND 2017/2018 SMALL GRANT ROUND APPLICATIONS	16
CCCS048	ALBANY HERITAGE PARK – FINANCIAL YEAR 2016-17 REPORT	22
CCCS049	RANGE ROAD LAND RESUMPTION AFFECTING LOT421 NORTH ROAD, YAKAMIA	25
CCCS050	PROPOSED NEW AIRPORT CAFÉ LEASE – ANNA KEKESI TRADING AS WAFFLES GALORE – ALBANY REGIONAL AIRPORT	32
11.	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	39
12.	MEETING CLOSED TO PUBLIC	39
CCCS051	PROPOSED LEASE	38
13.	CLOSURE	39

1. DECLARATION OF OPENING

2. PRAYER AND ACKNOWLEDGEMENT OF TRADITIONAL LAND OWNERS

“Heavenly Father, we thank you for the peace and beauty of this area. Direct and prosper the deliberations of this Council for the advancement of the City and the welfare of its people. Amen.”

“We would like to acknowledge the Noongar people who are the Traditional Custodians of the Land.

We would also like to pay respect to Elders both past and present”.

3. RECORD OF APOLOGIES AND LEAVE OF ABSENCE

Mayor D Wellington (Deputy Chair)

Councillors:

Member	P Terry (Chair)
Member	G Stocks
Member	J Shanahun
Member	S Smith
Member	A Goode JP
Member	A Moir
Member	B Hollingworth
Member	R Sutton
Member	J Price
Member	R Hammond
Member	N Mulcahy
Member	C Dowling

Staff:

Chief Executive Officer	A Sharpe
Executive Director Corporate Services	M Cole
A/Executive Director Commercial Services	A Cousins
Executive Director Works & Services	M Thomson
A/Executive Manager Community Services	S Stevens
Albany Heritage Park Manager	M Hammond
Manager Finance	D Olde

Meeting Secretary H Bell

Apologies:

4. DISCLOSURES OF INTEREST

Name	Committee/Report Item Number	Nature of Interest

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE: Nil.

6. PUBLIC QUESTION TIME

7. PETITIONS AND DEPUTATIONS – Nil.

8. CONFIRMATION OF MINUTES

DRAFT MOTION

THAT the minutes of the Commercial, Community and Corporate Services Committee held on 11 July 2017, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

9. PRESENTATIONS

Albany Heritage Park – FY 2016-17 REPORT – Albany Heritage Park Manager

10. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS – Nil.

CCCS043: FINANCIAL ACTIVITY STATEMENT – JUNE 2017

Proponent : City of Albany
Report Prepared by : Manager Finance (D Olde)
Responsible Officer : Executive Director Corporate Services (M Cole)

Responsible Officer's Signature:



RECOMMENDATION

CCCS043: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council RECEIVE the Financial Activity Statement for the period ending 30 June 2017

BACKGROUND

1. The Statement of Financial Activity for the period ending 30 June 2017 has been prepared and is attached.
2. In addition to the statutory requirement to provide Council with a Statement of Financial Activity, the City provides Council with a monthly investment summary to ensure the performance of the investment portfolio is in accordance with anticipated returns and complies with the Investment of Surplus Funds Policy.

DISCUSSION

3. In accordance with section 34(1) of the *Local Government (Financial Management) Regulations 1996*, the City of Albany is required to prepare each month a Statement of Financial Activity reporting on the revenue and expenditure of the local authority.
4. The requirement for local governments to produce a Statement of Financial Activity was gazetted in March 2005 to provide elected members with a greater insight in relation to the ongoing financial performance of the local government.
5. Additionally, each year a local government is to adopt a percentage or value to be used in Statements of Financial Activity for reporting material variances. Variations in excess of \$50,000 are reported to Council.
6. These financial statements are still subject to further yearend adjustments and have not been audited by the appointed auditor.

“Please note that rounding errors may occur when whole numbers are used, as they are in the reports that follow. The ‘errors’ may be \$1 or \$2 when adding sets of numbers. This does not mean that the underlying figures are incorrect.”

STATUTORY IMPLICATIONS

7. Section 34 of the *Local Government (Financial Management) Regulations 1996* provides:
- I. A local government is to prepare each month a statement of financial activity reporting on the source and application of funds, as set out in the annual budget under regulation 22 (1)(d), for that month in the following detail –
 - a. annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);
 - b. budget estimates to the end of the month to which the statement relates;
 - c. actual amounts of expenditure, revenue and income to the end of the month to which the statement relate
 - d. material variances between the comparable amounts referred to in paragraphs (b) and (c); and
 - e. the net current assets at the end of the month to which the statement relates.
 - II. Each statement of financial activity is to be accompanied by documents containing –
 - a. an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - b. an explanation of each of the material variances referred to in sub regulation (1)(d); and
 - c. such other supporting information as is considered relevant by the local government.
 - III. The information in a statement of financial activity may be shown –
 - a. according to nature and type classification;
 - b. by program; or
 - c. by business unit.
 - IV. A statement of financial activity, and the accompanying documents referred to in sub regulation (2), are to be –
 - a. presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
 - b. recorded in the minutes of the meeting at which it is presented.

POLICY IMPLICATIONS

8. The City's 2016/17 Annual Budget provides a set of parameters that guides the City's financial practices.
9. The Investment of Surplus Funds Policy stipulates that the status and performance of the investment portfolio is to be reported monthly to Council.


FINANCIAL IMPLICATIONS

10. Expenditure for the period ending 30 June 2017 has been incurred in accordance with the 2016/17 proposed budget parameters.
11. Details of any budget variation in excess of \$50,000 (year to date) follow. There are no other known events which may result in a material non recoverable financial loss or financial loss arising from an uninsured event.

File Number (Name of Ward)	FM.FIR.2 - All Wards
-----------------------------------	----------------------

CCCS044: LIST OF ACCOUNTS FOR PAYMENT – JULY 2017

Proponent : City of Albany
Attachments : List of Accounts for Payment
Report Prepared by : Senior Accounting Officer (P Martin)
Responsible Officer : Executive Director Corporate Services (M Cole)

Responsible Officer's Signature:	
---	--

RECOMMENDATION

CCCS044: RESPONSIBLE OFFICER RECOMMENDATION

That Council RECEIVE the list of accounts authorised for payment under delegated authority to the Chief Executive Officer for the period ending 15 July 2017 totalling \$7,687,047.23.

BACKGROUND

1. Council has delegated to the Chief Executive Officer the exercise of its power to make payments from the City's municipal and trust funds. In accordance with Regulation 13 of the *Local Government (Financial Management) Regulations 1996*, a list of accounts paid by the Chief Executive Officer is to be provided to Council.

DISCUSSION

2. The table below summarises the payments drawn from the municipal fund for the period ending 15 July 2017. Please refer to the Attachment to this report.

Municipal Fund	
Trust	\$ 18,728.00
Credit Cards	\$ 16,142.59
Payroll	\$ 1,255,289.53
Cheques	\$ 131,626.96
Electronic Funds Transfer	\$ 6,265,260.15
TOTAL	<u>\$ 7,687,047.23</u>

3. As at 15 July 2017, the total outstanding creditors, stands at \$821,988.69 and made up as follows:-

Current	\$234,762.61
30 Days	\$587,271.38
60 Days	\$0.00
90 Days	-\$45.30
TOTAL	<u>\$821,988.69</u>

Cancelled cheques – 31640 – incorrect creditor and 30667 never presented.

STATUTORY IMPLICATIONS

4. Regulation 12(1)(a) of the *Local Government (Financial Management) Regulations 1996*, provides that payment may only be made from the municipal fund or a trust fund if the Local Government has delegated this function to the Chief Executive Officer or alternatively authorises payment in advance.
5. The Chief Executive Officer has delegated authority to make payments from the municipal and trust fund.
6. Regulation 13 of the *Local Government (Financial Management) Regulations 1996* provides that if the function of authorising payments is delegated to the Chief Executive Officer, then a list of payments must be presented to Council and recorded in the minutes.

POLICY IMPLICATIONS

7. Expenditure for the period to 15 July 2017 has been incurred in accordance with the 2016/2017 budget parameters.

FINANCIAL IMPLICATIONS

8. Expenditure for the period to 15 July 2017 has been incurred in accordance with the 2016/2017 budget parameters.

SUMMARY CONCLUSION

9. That list of accounts have been authorised for payment under delegated authority.
10. It is requested that any questions on specific payments are submitted to the Executive Director Corporate Services by 4pm of the day prior to the scheduled meeting time. All answers to submitted questions will be provided at the Committee meeting. This allows a detailed response to be given to the Committee in a timely manner.

File Number (Name of Ward)	:	FM.FIR.2 - All Wards
-----------------------------------	---	----------------------

CCCS045: DELEGATED AUTHORITY REPORTS

Proponent : City of Albany
Attachments : Executed Document and Common Seal Report
Report Prepared by : Personal Assistant to the ED Corporate Services (H Bell)
Responsible Officer : Chief Executive Officer (A Sharpe)

Responsible Officer's Signature:



RECOMMENDATION

CCCS045: RESPONSIBLE OFFICER RECOMMENDATION

THAT the Delegated Authority Reports 16 June 2017 to 15 July 2017 be RECEIVED.

CCCS046: YOUTH FRIENDLY ALBANY STRATEGY

- Attachments** : Youth Friendly Albany Strategy
Youth Consultation Report
Literature Review
Draft Strategy - Submissions
- Report Prepared By** : Senior Community Development Officer (T Flett)
- Responsible Officers:** : Acting Executive Manager, Community Services (S Stevens)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014 - 2018:
 - a. **Key Theme:** 3. A Connected Built Environment , 4. A Sense of Community;
 - b. **Strategic Objectives:** 3.1 To advocate, plan and build friendly and connected communities,
 - c. 4.3: To develop and support a healthy, inclusive and accessible community.
 - d. **Strategy:** 4.3.1 Develop a range of activities and facilities that are appropriate for all ages.

In Brief:

- Review and adoption of the City of Albany 'Youth Friendly Albany' Plan 2017-2020.
- The Strategy will provide a framework for the City to become more inclusive and welcoming of young people aged 12-25.
- The Strategy has been developed through a period of research, consultation, internal and external stakeholder engagement and builds on and informs a number of key City strategies and plans.
- The plan will be partly delivered through the partnership agreement with Rio Tinto for the provision of funding towards a Youth Development Officer.

RECOMMENDATION

CCCS046: RESPONSIBLE OFFICER RECOMMENDATION

THAT the 'Youth Friendly Albany' Strategy 2017-2020 detailed at attachment A, be ADOPTED noting that initiatives will be subject to budget allocation and external funding.

BACKGROUND

2. The City of Albany received funding from the Department of Local Government and Communities (DLGC) to consult with young people on the development of a youth strategy.
3. The DLGC provided themes to guide the consultation process and define the principles of Youth Friendly Communities.
4. The Youth Friendly Communities principles are based on UNICEF's Child Friendly Cities Framework which implements the UN Convention of the Rights of a Child.

DISCUSSION

5. The proposed Strategy gives consideration to:
Youth Friendly Communities Framework
6. The Framework developed by Department of Local Government and Communities identified eight domain areas young people were to be consulted upon including:
 - a. Civic participation and volunteering;
 - b. Education, training and employment;
 - c. Community support and health services;
 - d. Leisure, recreation and social life;
 - e. Transport and housing;
 - f. Respect and inclusion;
 - g. Community and information; and
 - h. Public spaces, buildings and natural environment.
7. These domains cover the whole of the City of Albany, illustrating the need for the Youth Friendly Albany Strategy to have a whole-of-City response.
8. The framework is based on UNICEF's Child Friendly Cities Framework.

Role of Local Government

9. The role of local government in youth spaces varies from council to council. While there are councils who do provide direct assistance to young people experiencing crisis, Albany is serviced by a number of youth agencies who provide this support.
10. The City has an advocacy role in ensuring these vital services continue to be available and meet the needs of young people in our community.
11. As with the Age Friendly Communities Strategy, the role of the City is at a population level rather than individual level.

Youth Friendly Albany Strategy 2017-2020

12. The development of the Strategy was led by Community Development staff in partnership with the Albany Youth Advisory Council. Young people were invited to participate in the development of the Strategy through a number of methods using the domains for guidance. Youth sector stakeholders were also invited to participate.
13. The data was reviewed by the Youth Development Officer Trainee and Senior Community Development Officer. The responses indicated four key themes as priorities for young people including:
 - a. Youth engagement and inclusion;
 - b. Youth spaces and places;
 - c. Employment education and training; and
 - d. Events and social opportunities.
14. Feedback from the consultation with young people was that Council does not consider a young person's views or value their opinions. Many expressed concern that their voice would not be deemed to be as important as adults simply because of their age.

15. The Youth Friendly Albany Strategy is a whole-of-City document with the achievement of objectives and actions linked to the annual budget and work plans, and reported to the Executive. This ensures the Strategy remains a living document and progress on the plan is reported regularly to Council.

GOVERNMENT & PUBLIC CONSULTATION

16. 685 young people participated in the consultation for the strategy. A number of methods were utilised including: Youth forums, online survey and 'townhallapp' daily question.
17. 43 youth stakeholder agencies were invited to participate in the consultation, with 16 agencies participating. Stakeholders were also invited to provide further feedback through a follow up survey, of which three were received.
18. A detailed consultation report was sent to the Department of Local Government and Communities as per the requirements of the grant funding.
19. A full Literature Review and the draft Strategy was distributed for peer review with feedback being provided by Shire of Katanning Manager of Community Services, Shire of Kulin Chief Executive Officer, and Julie Yusop former Manager of Albany Youth Support Association.
20. Peer review feedback was considered and included in the final draft of the strategy.
21. The strategy was made available for public comment and feedback from 10 July 2017 to 21 July 2017. An email was sent to each youth stakeholder and each young person who indicated an interest in participating further in City consultations. A media release and public announcement also promoted the draft strategy.
22. A total of five submissions were received from:
- a) Department of Local Government and Cultural Industries (Sport & Recreation);
 - b) headspace Albany;
 - c) Youth Advisory Council Member (collated feedback from young people); and
 - d) Two young people who participated in the survey.

STATUTORY IMPLICATIONS

23. Nil.

POLICY IMPLICATIONS

24. The Strategy contributes to the achievement of DLGC 'Our Youth – Our Future – Western Australia's Youth Strategic Framework'.

25. The Strategy also builds on and informs a number of City plans, strategies and policies including:

- Connected Communities (2014-2018);
- Cycle City Albany (2014-2019);
- Public Parkland Policy;
- Corporate Communications Strategy;
- Community Engagement Policy;
- Trails Hub Strategy (2015-2025);
- Public Health Plan

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<p>Community</p> <p><i>The City is unable to meet community expectations contained in the Strategy.</i></p>	<i>Possible</i>	<i>Moderate</i>	<i>Medium</i>	<ol style="list-style-type: none"> 1. <i>Media and communications strategy to manage community expectations.</i> 2. <i>Partner with stakeholders to deliver the strategy.</i> 3. <i>Funds to be allocated in forward budgets to address actions identified in the plan.</i>
<p>Reputational</p> <p><i>The Youth Friendly Albany Strategy is not adopted</i></p>	<i>Unlikely</i>	<i>Moderate</i>	<i>Medium</i>	<i>Further review and development of the Strategy as required for adoption.</i>

FINANCIAL IMPLICATIONS

27. Funding for achieving specific outcomes of the Strategy will be considered as part of the annual budget allocation and review processes.

28. Some outcomes will require external funding to enable their delivery. The City will continue to pursue funding opportunities to enable delivery of outcomes in accordance with the Strategy.

LEGAL IMPLICATIONS

29. Nil.

ENVIRONMENTAL CONSIDERATIONS

30. Nil.

ALTERNATE OPTIONS

31. Council can choose not to adopt this strategy. The strategy was a promised outcome of the DLGC funding and was used to obtain commitment from Rio Tinto for funding of the Youth Development Officer.
32. Council can choose to modify the Strategy. If Council chooses this option it is recommended the Strategy be presented to an Elected Member Strategic Workshop for feedback prior to being re-presented to Council for adoption.

CONCLUSION

33. The Youth Friendly Albany Strategy (2017-2020) provides strategic guidance to Council and the City and will enable the implementation of the Youth Friendly Communities Framework.

Consulted References	:	DLGC Youth Friendly Communities Principles; UNICEF Child Friendly Cities
File Number (Name of Ward)	:	CS.PLA.1
Previous Reference	:	Nil

**CCCS047: COMMUNITY SPORTING AND RECREATION FACILITIES
FUND 2017/2018 SMALL GRANT ROUND APPLICATIONS**

Proponent : Merrifield Park Tennis Club
Attachments : Merrifield Park Tennis Club - Correspondence and Project Assessment Sheet; Policy for Community Sport and Recreation Facilities Small Grant Funding Policy
Report Prepared By : Acting Executive Manager Community Services (S Stevens)
Responsible Officer(s): : Acting Executive Manager Community Services (S Stevens)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. The ranking and provision of financial support to the Community Sporting and Recreation Facilities Fund Annual and Forward Planning Grant Round Applications relates to the following [City of Albany Strategic Community Plan 2023](#) and [Corporate Business Plan 2013-2017](#):
 - a. **Key Theme:** 4. A Sense of Community
 - b. **Strategic Objective:** 4.2 To create interesting places, spaces and events that reflect our community's identity, diversity and heritage
 - c. **Strategic Initiative:** 4.2.1 Sport & Recreation Infrastructure

In Brief:

- To seek Council endorsement of the priority ranking for the submitted Community Sport and Recreation Facility Fund (CSRFF) Small Grant funding round.
- To seek Council support to provide funding assistance in line with the Council Policy of the Community Sports & Recreation Facilities Merrifield Park Tennis Club project upon return of successful CSRFF Annual Grant application.

RECOMMENDATION

CCCS047: RESPONSIBLE OFFICER RECOMMENDATION 1

That Council **RANK** the CSRFF Small Grant application in the following order for the CSRFF August 2017 Funding Round:

1. Merrifield Park Tennis Club – Re-surfacing of 4 x tennis courts (rank one of one)

CCCS047: RESPONSIBLE OFFICER RECOMMENDATION 2

That Council **APPROVE** a total of \$4,000.00 (exc. GST) from the 2017/2018 budget to the Merrifield Park Tennis Club community sporting project as the Councils commitment upon successful CSRFF Annual grant application.



BACKGROUND

2. The Community Sport and Recreation Facilities Fund (CSRFF) administered by the Department of Local Government, Sport and Cultural Industries has three rounds of available funds including:
 - Small Grant Funding Round (Winter) – current
 - Annual And Forward Planning Funding Round – current
 - Small Grant Funding Round (Summer) - pending
3. The CSRFF program is a \$12 million program. All three rounds are often oversubscribed and clubs may need to reapply on a number of occasions to be successful.
4. The Small Grants Round targets community sport projects where the financial value of the total project is up to \$200,000 and is delivered within a 12 month period.
5. Applicants must be either a local government authority or a not-for-profit sport or community organisation incorporated under the WA Associations Incorporation Act 1987.
6. Clubs and local government authority must demonstrate equitable access to the public on a short term and casual basis.
7. The land on which the facility is to be developed must be one of the following:
 - Crown reserve
 - Land owned by a public authority
 - Municipal property
 - Land held for public purposes by trustees under a valid lease, title or trust deed that adequately protects the interests of the public.
8. The Local Government has an opportunity to assess all relevant applications and to rank applications in priority order for the municipality.
9. Whilst there is no obligation for Local Government to contribute to the community sporting projects local government is viewed as a key funding partner in supporting improved community sporting amenities.
10. The Department of Local Government, Sport and Cultural Industries – Sport and Recreation application form calls for applications to be initially submitted to the Local Government within which the project proposal is located.
11. An element of the assessment process involves Council consideration and priority ranking of applications received. The applications are then submitted to the Department of Local Government, Sport and Cultural Industries – Sport and Recreation on behalf of the applicants prior to August 31 2017.
12. Once the assessment process from Local Government Authorities are complete all applications received from Western Australian organisations are assessed by the relevant State Sporting Association and the Department of Local Government, Sport and Cultural Industries – Sport and Recreation CSRFF Committee against a number of criteria, with the final decision on funding being at the discretion of the Minister for Sport and Recreation.

DISCUSSION

13. The grant guidelines require Council to provide a ranking for the projects.
14. The Department of Local Government, Sport and Cultural Industries – Sport and Recreation provides guidance for Local Government Authorities to assess each submission. This assessment uses the following criteria and a project rating of satisfactory/unsatisfactory or not relevant:
- Project justification
 - Planned approach
 - Community input
 - Management planning
 - Access and opportunity
 - Design
 - Financial viability
 - Coordination
 - Potential to increase physical activity
 - Sustainability

With overall project rating, being:

- Well planned and needed by municipality
 - Well planned and needed by applicant
 - Needed by municipality, more planning required
 - Needed by applicant, more planning required
 - Idea has merit, more planning work needed
 - Not recommended
15. Projects are ranked on the strength of the application, participation numbers, and ability to increase physical activity and potential impact as well as consultation with the Department of Local Government, Sport and Cultural Industries – Sport and Recreation and the applicant.
16. The City of Albany has received only one (1) Small Grant Application this round. The following additional information is provided about the project and funding application:

Merrifield Park Tennis Club – Court Resurfacing

17. The funding application is a Small Grant Application to resurfacing 4 tennis courts with Tennis Australia approved Rebound Ace tennis court paint.
18. Merrifield Park Tennis Club facilities are used by the Lower Great Southern Tennis Association (LGSTA), the Albany Tennis Academy (Private Business) and the Merrifield Park Tennis Club. The membership numbers have steadily increased for the Merrifield Park Tennis Club and all 3 organisations will benefit from the resurfacing.

2014/15	Merrifield Park Tennis Club	64
2015/16	Merrifield Park Tennis Club	73
2016/17	Merrifield Park Tennis Club	78

19. Merrifield Park Tennis Club forms part of the Lower Great Southern Tennis Association (LGSTA) and is one of number of tennis clubs in Albany.

20. The City of Albany, LGSTA (affiliated clubs), and Tennis West are currently investigating the feasibility of a Regional Tennis Centre in Albany that will deliver a long term vision for tennis in the region (Regional Tennis Centre Feasibility Study). The City was successful in recent application to CSRFF for the study and is in the process of submitting a Tennis Australia application for the remaining third of the project costs. This is a long term project and may take a number of years to realise. The resurfacing of the courts aims to extend the life of the existing courts to reduce the risk of injury and serve as a short term solution whilst the feasibility study is being undertaken.
21. The resurfacing of the courts directly impacts on the club's and the region's ability to deliver their sport and competitions.
22. Department of Local Government, Sport and Cultural Industries – Sport and Recreation Great Southern Regional Manager assessed the project as having a medium priority.
23. The below ranking recommendation has been provided based on the applicant meeting the required criteria and its overall project ranking:

RANK	ORGANISATION	PROJECT DETAIL	OVERALL PROJECT RATING
1	Merrifield Park Tennis Club	Merrifield Park Tennis Club – Court Resurfacing (4)	Well planned and needed by the applicant.

24. Correspondence requesting financial assistance and a completed Officers Project Assessment Sheet for the project application is attached.

GOVERNMENT & PUBLIC CONSULTATION

25. The Department of Local Government, Sport and Cultural Industries – Sport and Recreation Regional Manager for the Great Southern has been consulted with by the City of Albany.
26. The City of Albany has conducted site visits and consulted with the club benefiting from this Community Sporting project.

STATUTORY IMPLICATIONS

27. There is no statutory requirement.
28. Council Officers assess each project and make a recommendation for the ranking of projects based on the Department of Local Government, Sport and Cultural Industries criteria and strategic overview.
29. Council has the opportunity to provide a recommendation that ranks applications in priority order for the City of Albany.
30. It should be noted that the Department of Local Government, Sport and Cultural Industries – Sport and Recreation will make the final decision on funding allocation.

POLICY IMPLICATIONS

31. The Recreation Planning Strategy adopted in 2008 has been applied in ranking this submission.

32. The Community Sports and Recreation Facilities Small Grant Funding Policy has been applied in the assessment and recommendations.

RISK IDENTIFICATION & MITIGATION

33. The risk identification and categorisation relies on the City's [Enterprise Risk Management Framework](#).

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation & Community Property <i>Failure to secure required funding may result in the condition of the amenities deteriorating to an unsafe condition</i>	<i>Possible</i>	<i>Minor</i>	<i>Medium</i>	<i>Council can choose to support the funding application, or work with City officers to source other funding streams.</i>
Reputation & Financial <i>Failure to upgrade facilities may result in community missed economic and social opportunities.</i>	<i>Unlikely</i>	<i>Minor</i>	<i>Low</i>	<i>Support the funding application, or work with City officers and club to source other funding streams.</i>
Reputation & Financial <i>Failure to distribute the Councils Financial Support in an equitable and sustainable manner may result in community dissatisfaction or projects not going ahead.</i>	<i>Possible</i>	<i>Moderate</i>	<i>Medium</i>	<i>Support the officer's recommendation, or work with City officers to deliver an equitable allocation of funding.</i>

FINANCIAL IMPLICATIONS

34. The City allocated a total of \$75,000 Capital Seed Funding for Sporting Clubs in the 2017/2018 financial year to assist in the development and maintenance of community sporting infrastructure as determined through the CSRFF funding process.

35. The Capital Seed Reserve Fund has been established to assist with leveraging State Government funds for sporting clubs. Funds from unsuccessful grant applications are returned to the Capital Seed Reserve Fund to be reused for other grant applications.

36. The total projected costs for the Merrifield Park Tennis Park project is \$12,000 (GST exc)

37. The club is requesting one third from Department of Local Government, Sport and Cultural Industries – Sport and Recreation (\$4,000) and one third from the City of Albany (\$4,000). The remaining one third costs will be contributed by the club (\$4,000).

38. There is still one remaining Small Grants round for 2017/2018 financial year and it is likely that Council will receive further requests for financial contributions for that round.

39. The Merrifield Park Tennis Club application draws down on the current capital seed fund. If the application is successful there will be \$71,000 remaining.

40. If the application is unsuccessful, the club can reapply in the next round.

LEGAL IMPLICATIONS

41. Nil

ENVIRONMENTAL CONSIDERATIONS

42. There are no environmental impacts associated with the project.

ALTERNATE OPTIONS

43. Council can choose not to provide funding assistance for this project.

44. Council can choose to provide more or less funding assistance to this project.

SUMMARY CONCLUSION

45. The Department of Local Government, Sport and Cultural Industries – Sport and Recreation provides local government with an opportunity to assess received applications and to rank applications in priority order for the municipality.

46. This project meets the criteria provided by the Department of Local Government, Sport and Cultural Industries – Sport and Recreation. It is considered well planned and needed by the applicant. Council is required to endorse the officers ranking. City officers have ranked the application as the number one (1) priority.

47. Council may consider capping its financial contribution or sourcing alternate means to meet budget allocations.

48. The Department of Local Government, Sport and Cultural Industries – Sport and Recreation requires a response from the City of Albany on the priority ranking order by 31 August 2017.

Consulted References	:	NIL
File Number (Name of Ward)	:	(All Wards)
Previous Reference	:	Nil

**CCCS048: ALBANY HERITAGE PARK – FINANCIAL YEAR 2016-17
REPORT**

Proponent	: City of Albany
Attachments	: Albany Heritage Park – Financial Year 2016-17 Report
Report Prepared By	: Manager Albany Heritage Park (M Hammond)
Responsible Officer(s)	: Acting Executive Director Commercial Services (A Cousins)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This report directly relates to the following elements from the Community Strategic Plan – Albany 2023 and the Corporate Business Plan 2014-2018.
 - a. **Key Theme: 1.** Smart Prosperous and Growing.
 - b. **Strategic Objective: 1.2** To strengthen our region's economic base.
 - c. **Strategic Objective 1.3** To develop and promote Albany as a unique and sought after destination.
 - d. **Strategy 1.2.2.** Strengthen our economy by supporting business innovation and diversity.
 - e. **Strategy 1.3.2.** Promote the Albany region as a sought after and iconic tourism destination.

In Brief:

- To provide Council with update on the Financial Year 2016-17 performance of the National Anzac Centre.

RECOMMENDATIONS

CCCS048: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council NOTE the National Anzac Centre operational report for the Financial Year 2016/17.

BACKGROUND

2. The National Anzac Centre is the City of Albany's most significant tourism asset.
3. The National Anzac Centre is a \$10.6 million dollar investment from the Federal and State Government with an additional \$1.5 million invested by Wesfarmers for the construction of the Convoy Walk and Lookout.
4. The City of Albany manages the asset and understands the importance of generating economic outcomes for the region using the National Anzac Centre and the Albany Heritage Park (AHP) assets to encourage both increased visitation and extended stays to the region.
5. Key stakeholders will also receive this quarterly report in an effort to further develop the relationships and as recognition of their significant investment and commitment to the City of Albany.

6. The City established an independent National Anzac Centre Advisory Committee during the 2016/17 financial year to assist in the further development of both the NAC and AHP to ensure the assets continue to evolve and attract both local repeat visitation and visitors from outside the region. The final quarterly meeting for 2016/17 was held on Wednesday 19th July. Minutes are currently being finalised.
7. Council has budgeted a subsidy of \$250,000 annually for the operations of NAC and the AHP and has established a reserve on the understanding that any surplus funds will be reinvested and be used to leverage additional grant funding to improve the asset.

DISCUSSION

8. This NAC report template is constantly being reviewed to ensure that the Commercial, Community & Corporate Services Committee and the National Anzac Centre Advisory Group receive all relevant information as to its performance.
9. Ongoing feedback from both the Commercial, Community & Corporate Services Committee and the National Anzac Centre Advisory Group is encouraged to ensure the report is meeting expectations.
10. The National Anzac Centre has exceeded \$1 million in ticket sale revenue for the third consecutive financial year since opening.
11. Visitation for the National Anzac Centre in 2016/17 was down by 7,053 people (10.42%) compared to the previous year (2015/16).
12. The National Visitor Survey results for the year ending March 2017 show Western Australia had the poorest performance in domestic tourism of any State. The number of intrastate overnight visitors in WA fell by 3.9 per cent compared with average growth of 3.4 per cent across Australia. Interstate visitor numbers decreased by 8.2 per cent, in comparison with average growth of 3.7 per cent across Australia. In total, Western Australia is down by more than 450,000 visitors compared with last year.
13. As at financial year end average annual visitation to the National Anzac Centre was 72,883.
14. The proportion of INTER-state visitors has increased marginally from 40% in the first half of 2016/17 to 48% as at financial year end.
15. The proportion of INTRA-state visitors has decreased from 57% in the first half of 2016/17 to 52% as at financial year end which may be attributable to an increase in INTER-state visitation.
16. Local visitation remained unchanged at 4%. It is hoped that the recently launched 'League of Local Legends' program will generate an increased proportion of local visitation by end of Quarter 1 2017/18.
17. Since launch of the 'League of Local Legends' program, in excess of 600 locals have joined as members.

GOVERNMENT & PUBLIC CONSULTATION

18. Not Applicable.

STATUTORY IMPLICATIONS

19. Not Applicable.

POLICY IMPLICATIONS

20. Not Applicable.

RISK IDENTIFICATION & MITIGATION

21. Nil.

FINANCIAL IMPLICATIONS

22. Refer to financial summary below for Albany Heritage Park budget position as at June 30 2017 noting that:

- a. The summary provided is operational in nature and does not include movement of funds to and from the National Anzac Centre and AHP Infrastructure reserves.
- b. The variance of \$69,496.00 in operating income is attributable to better than expected performance in retail and ticket sales.
- c. The variance of \$62,601.00 in capital expenditure is attributable to delay in the delivery of projects that are now planned for 2017/18.

	Budget	Actual	Variance
Operating Expenditure	\$1,754,991.00	\$1,755,336.00	-\$345.00
Operating Income	\$1,566,900.00	\$1,636,396.00	\$69,496.00
Net Operating Loss/Surplus	-\$188,091.00	-\$118,940.00	\$69,151.00
Capital Expenditure	\$136,000.00	\$73,399.00	\$62,601.00

LEGAL IMPLICATIONS

23. Nil.

ENVIRONMENTAL CONSIDERATIONS

24. Nil.

ALTERNATE OPTIONS

25. The Committee can request further development and refinement of the quarterly reporting tool including both content and frequency of reporting.

SUMMARY CONCLUSION

26. A 10% decline in visitor numbers for 2016/17 as compared to 2015/16 reflects a comparable decline in visitor numbers across the entire state as reported by the National Visitor Survey results for the year ending March 2017. Despite this the National Anzac Centre remains an important economic anchor for the region given the average of 72,000 visitors it attracts per year.

Consulted References	:	Nil.
File Number (Name of Ward)	:	All Wards
Previous Reference	:	Nil.

**CCCS049: RANGE ROAD LAND RESUMPTION AFFECTING LOT 421
NORTH ROAD, YAKAMIA**

Land Description : Lot 421 No 130 North Road, Yakamia
Proponent / Owner : Ocean View Nominees P/L
Attachments : Consent to Taking by Agreement document with maps
Report Prepared By : Senior Lands Officer (N Crook)
Responsible Officers: : Executive Director Corporate Services (M Cole)

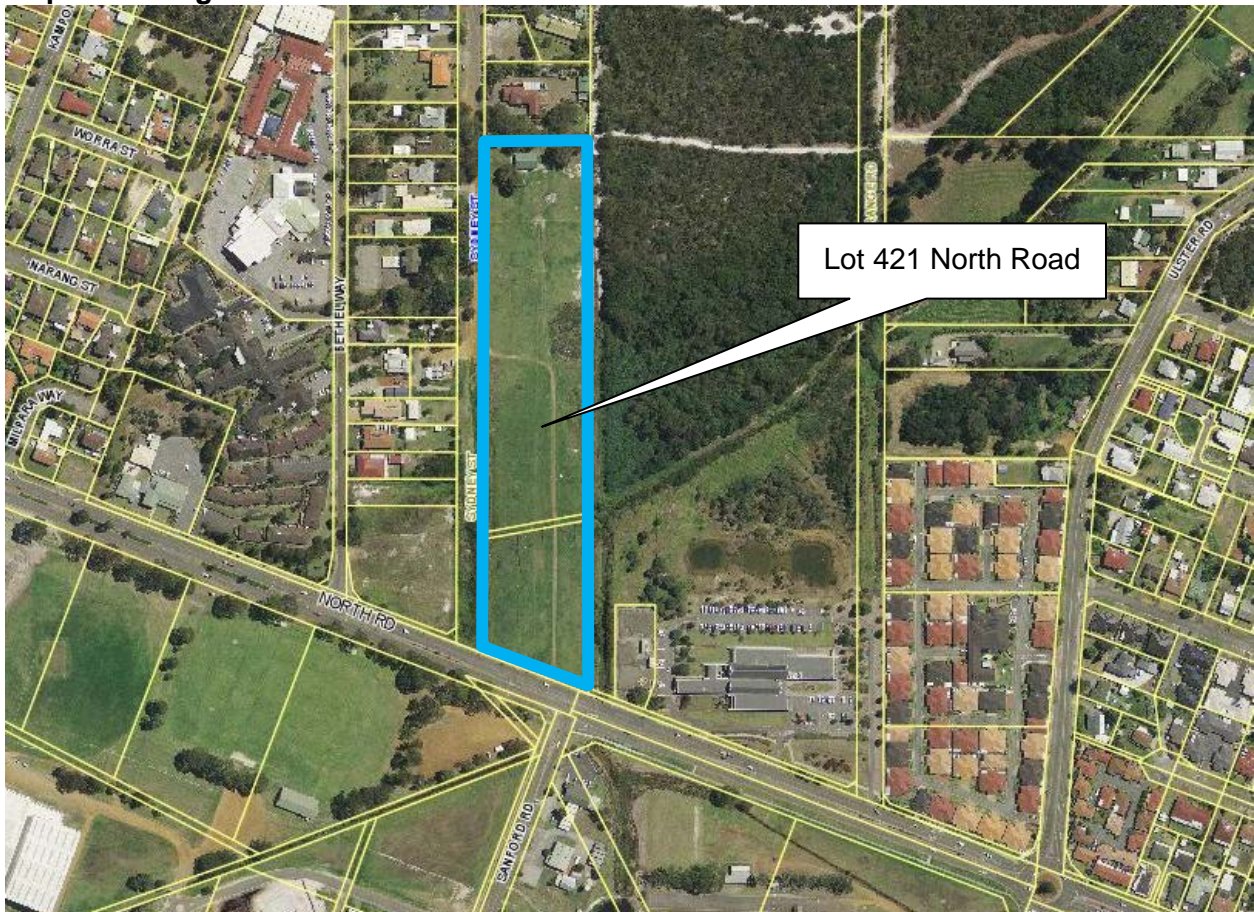
Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014 - 2018:
 - a. **Key Theme:** 2. Clean, Green & Sustainable
3. A Connected Built Environment
 - b. **Strategic Objectives:** 2.2 To maintain and renew city assets in a sustainable manner
3.1 To advocate, plan and build friendly and connected communities
 - c. **Strategy:** 2.2.1 Deliver effective asset planning and delivery programs
3.1.1 Improve connectedness and traffic flows

Maps and Diagrams:



In Brief:

- The Yakamia / Lange Structure Plan 2015 and the Catalina Outline Development Plan, both adopted by Council and approved by the Western Australian Planning Commission, provide for a significant district road link running between the Sanford Road / North Road intersection and Mercer Road, being Range Road.
- Traffic modelling indicates that Range Road will be required in the next 10 years, with a roundabout at the North and Sanford Road intersection scheduled for construction in 2019/20. As such, achieving the road reserve at least to Hudson Road has been identified as a high priority.
- Given the need for this road, the City has entered into negotiations with the owner of Lot 421 North Road to resume the required road reserves.
- The City has also previously purchased 5 Bethel Way for the future road link between Range Road and Bethel Way. The link road to this land has also been considered in the negotiations with the affected landowner, so that only one resumption action is required.
- An agreement has been reached with this landowner and Council's endorsement of this position is sought, so as to action the legislative processes required to create the first stage of Range Road and the Bethel Way road link.

RECOMMENDATION

CCCS049: RESPONSIBLE OFFICER RECOMMENDATION

That Council:

1. **SUPPORTS** the Taking by Agreement, under section 168 of the *Land Administration Act 1997*, of a 4945m² portion of land from Lot 421 North Road, Yakamia to provide for the creation of the Range Road reserve and a link road to Bethel Way.
2. **SUPPORTS** the payment of compensation required under Part 10 of the *Land Administration Act 1997* in the following form:
 - a. The transfer of 2742m² of land from the City's freehold Lot 4743 North Road for inclusion into the resultant lot;
 - b. The transfer of 269m² of land from the City's freehold Lot 45 North Road for inclusion into the resultant lot;
 - c. The transfer of 2088m² of land currently forming part of the Sydney Street road reserve.
3. **SEEKS** approval under Section 168 of the *Planning and Development Act 2005* to resume the 4945m² portion of land from Lot 421 North Road, Yakamia as a public road through the lodgement of a subdivision application. This application shall also consider the land to be included into the resultant lot as stated in the Taking by Agreement.
4. **REQUIRES** that the public notification process for the disposal of local government property required by s3.58 of the *Local Government Act 1995* be observed and if any public submissions are received, a further item to Council will be necessary.
5. **ACTIONS** the public notification process for the closure of a 2088m² portion of Sydney Street, as required by s.58 of the *Land Administration Act 1997*.
6. Should no public submissions be received during the road closure consultation process, **REQUESTS** under s.58 of the *Land Administration Act 1997*, that the Minister for Lands to close a 2088m² portion of the Sydney Street reserve and that the balance land be used as compensation for the taking of the Range Road and Bethel Link road reserves.

7. **REQUESTS** the Minister for Lands to dedicate the balance of Lot 45 North Road, Yakamia and Lot 39 No 5 Bethel Way, Yakamia as a public road under s.56 of the *Land Administration Act 1997*.
8. **INDEMNIFIES** the Minister for Lands from any claims for compensation associated with all road dedication and closure actions, as is required under Section 56 of the *Land Administration Act 1997*.

BACKGROUND

2. The Catalina Outline Development Plan was prepared to guide the future development of the land generally at the intersection of Chester Pass Road and south of Catalina Road. This plan was adopted by Council on 11 October 2011 and subsequently endorsed by the Western Australian Planning Commission (WAPC) on 16 April 2012.
3. The Yakamia / Lange Structure Plan was prepared to guide the development of the Future Urban zoned land in these localities. This structure plan was adopted by Council on 15 December 2015 and was subsequently endorsed by the WAPC on 10 June 2016.
4. The Yakamia / Lange Structure Plan and the Catalina Outline Development Plan both provide for a significant district road link running between the Sanford Road / North Road intersection and Mercer Road, being Range Road.
5. The Yakamia / Lange Structure Plan provides for a contribution plan for the creation of Range Road. This road will serve the suburbs of Yakamia and Lange, as well as providing an alternate route for the expanding north corridor, relieving traffic pressure from Ulster Road. Upon the subdivision of land in the structure plan area, landowners are required to make a per lot contribution towards the construction of Range Road.
6. Main Roads WA has undertaken traffic projection / modelling studies for Albany and this data indicates that Range Road requires construction to Target Road by 2025/26. The model forecasts 6813 vehicles per day on Range Road by 2031. The City's 10 Year Plan also provides for the construction of a roundabout (and associated drainage) at the intersection of North and Sanford Roads in 2019/20 (which requires some additional land from Lot 421).
7. On 26 April 2016, Council considered an item recommending the purchase of 5 Bethel Way, Yakamia required for the future road reserve between Range Road and Bethel Way. Council supported this land purchase, drawing the funds from the Land Acquisition Reserve. The purchase of this property settled on 24 May 2016 and it is now owned in freehold title by the City.
8. In view of these future road requirements, the City initiated discussions with the first landowner to be affected by this proposed road. These discussions also considered the Bethel link road which will also pass through this owners land, so that only one resumption action would be required.

DISCUSSION

Impact on Lot 421 North Road

9. In the commencement of negotiations, the affected owner stated that they would agree to ceding the land required for Range Road, on the basis that there would be no net loss of land area from their existing property.
10. The City considered various options to achieve the land resumption, including land swaps (land as compensation) of adjoining City freehold land or financial compensation. Legal advice on achieving the land resumption was also sought, to ensure proper process was observed. Ultimately, the resumption with compensation payable in land area was considered the preferred option.

11. The City owns two freehold properties adjoining or passing through Lot 421 North Road. Lot 4743 is the City's property to the east of Lot 421, containing the City's Administration Centre building and extending through to Target Road. Lot 45 North Road bisects Lot 421 and appears to have been set aside for drainage purposes, however there is no drainage infrastructure contained in this land and neither is it required for any infrastructure in the future. As such, it is considered surplus to requirements.
12. Land valuations were sought on the various land parcels, as the use of land as compensation is based on value, not land area. Preliminary discussions with the Department of Planning, Lands and Heritage were also undertaken, as it was proposed to use a surplus portion of the Sydney Street road reserve in the land compensation.
13. A negotiated agreement has been reached with the landowner on the following basis:

Option	Land Area	Land Value
Landowner to cede land from Lot 421 for the Range Road reserve	4945m ²	\$120,188
Total Landowner	4945m ²	\$120,188
City to transfer land from freehold Lot 45 for inclusion into Lot 421	269m ²	\$6,537
City to transfer land from freehold Lot 4743 for inclusion into Lot 421	2742m ²	\$66,631
City to close surplus portion of Sydney Street road reserve for inclusion into Lot 421	2088m ²	\$50,738
Total City & Crown	5099m ²	\$123,906

On this basis, the owner has agreed that the land given up is equal to the land granted and no further financial compensation will be payable (see Taking by Agreement Deed attached).

14. The small cost variance in favour of the landowner is considered a minor concession when viewed against legal costs and officer time if the matter was to be escalated to compulsory acquisition. Further, it is not uncommon to offer a solatium payment of 10% above the land value in negotiating a consent to taking by agreement.
15. In order to achieve this land resumption, various legislative actions will need to be enacted, including a notice of intent to dispose land under s.3.58 of the *Local Government Act 1995* and a road closure process under s.58 of the *Land Administration Act 1997*. These processes will be observed following Council's approval of this item and should any submissions be received, a further item to Council will be presented.
16. It is further noted that the balance of Lot 45 not included into Lot 421 will be dedicated as a public road reserve, as it will form part of Range Road.

Lot 4743 North Road – City Freehold Title

17. As part of the creation of the Range Road reserve, the City will also enact the subdivision of its own freehold Lot 4743 to take the road reserve from this land. With this action, the Range Road reserve will be created from North Road to Hudson Road.
18. One of the considerations in this proposal will be whether the City progresses a super-lot subdivision to align with the recommendations of the Yakamia / Lange Structure Plan 2015. Under this plan, Lot 4743 includes the Range Road reserve, the Yakamia Creek foreshore reserve, an area of private conservation (could be sold as a single house lot), an active recreation reserve and an area suitable for residential development.

19. It may be possible to create individual land uses so as to isolate the land for future residential development, allowing Council to consider the sale of the developable area to an independent developer in the future.

5 Bethel Way – City Freehold Title

20. This land was purchased in 2016 for the future road link between Bethel Way and Range Road. At present, this land remains in freehold title, though at the time of purchase it was noted that it would eventually be dedicated as a public road.
21. As this land resumption action will result in the ceding of the balance of this road reserve, it may also be appropriate to dedicate this land as a road. This will also be encompassed in the recommended Council resolution.

GOVERNMENT & PUBLIC CONSULTATION

22. The City has had early discussions with the Department of Lands on using the surplus portion of Sydney Street in the land compensation agreement. The in-principle support of this Department was obtained prior to entering into the Consent to Taking by Agreement with the affected landowner.
23. Discussions have occurred with the affected landowner, though no other general public consultation has been undertaken.
24. The public notification process required for land disposals and road closures will be observed following Council's support of the land resumption.

STATUTORY IMPLICATIONS

25. Section 56 of the *Land Administration Act 1997* allows the dedication of land as a road. In doing so, the Local Government must indemnify the Minister for Lands against any claim for compensation.
26. Section 58 of the *Land Administration Act 1997* allows the local government to request the Minister for Lands to close a road (or portion thereof). This part requires that a public advertising period be observed prior to the request being forwarded to the Minister.
27. Section 168 of the *Land Administration Act 1997* sets the procedure for acquiring land for public works through a Taking by Agreement.
28. Part 10 of the *Land Administration Act 1997* states that every person having an interest in land taken under the Act is entitled to compensation. Clause 212 states that a claimant may request that the compensation occurs in a form other than money i.e. by the transfer of property.
29. The creation of a road occurs through the subdivision process detailed under Part 10 of the *Planning and Development Act 2005*. Section 168 of this Act states all land on a diagram or plan of survey as a new road or road widening, will be dedicated as a road.
30. Section 3.58 of the *Local Government Act 1995* defines the requirements for the disposal of property. This part states that a local government can only dispose of property other than at public auction or tender if it gives notice of the proposed disposal and Council considers any submissions made.

POLICY IMPLICATIONS

31. This proposal is consistent with Council Planning Policy – Catalina Outline Development Plan and the Yakamia / Lange Structure Plan 2015.

RISK IDENTIFICATION & MITIGATION

32. The risk identification and categorisation relies on the City's Enterprise Risk and Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<i>Reputation. Public perception that the affected landowner benefits from the City adjoining freehold land holdings.</i>	<i>Possible</i>	<i>Moderate</i>	<i>Medium</i>	<i>Legislative processes to be properly observed and City communications to make clear that landowner is giving up land area for the benefit of the greater community and compensation is commensurate.</i>

FINANCIAL IMPLICATIONS

33. While there will be no financial compensation payable to the affected landowner, the actions associated with the land resumption will cost approximately \$15,000 - \$20,000. This will include survey costs, subdivision fees, advertising costs, land transfer and lodgement fees, etc. All associated costs can be drawn from the Manage Land Assets Costs line item.

LEGAL IMPLICATIONS

34. All actions will be undertaken in accordance with the relevant legislation and in line with the legal advice provided.

ENVIRONMENTAL CONSIDERATIONS

35. The future road construction will need to consider drainage implications, particularly with regard to the nearby Yakamia Creek. This will be a matter to be considered at the design stage, though this item primarily concerns the creation of the appropriate tenure in which to construct the road.
36. The future road construction will also require the clearing of native vegetation and this aspect was considered as part of the adoption of the Yakamia / Lange Structure Plan.
37. Yakamia Creek is also a known Registered Aboriginal Site and these future works may necessitate an approval process under the *Aboriginal Heritage Act 1972*.

ALTERNATE OPTIONS

38. Given that Range Road has been identified as an important district road link, there is not considered to be any alternative than to proceed with the creation of the road reserve to facilitate its future construction.
39. Whilst there are alternate options for the compensation payable for the resumption to create this road reserve, compensation in the form of land is considered most acceptable to the affected landowner and it is not certain that a financial offer would be considered.
40. While some of the Range Road reserve through to Mercer Road could await the future development of the area, there is no guarantee on the timing when private development might occur. As such, forward action by the City may be required in some circumstances to achieve this road. Further, this action might facilitate the future development of Yakamia and Lange.

CONCLUSION

41. Range Road has been identified as a significant district road link requiring construction in the next 5-10 years. At present, this road reserve does not exist and while it could be created as part of the future subdivision of Yakamia & Lange, the timing of this development may not coincide with the requirement for this road.
42. Given the roundabout and drainage works proposed for the construction in 2019/20 at the intersection of North and Sanford and the additional land required to achieve these works, discussions with the affected landowner have occurred, in view of the time required to achieve some land dealings.

43. The affected landowner has agreed to the taking of land for the creation of the Range Road and Bethel link road reserves from his property, with compensation payable in the form of land. This has been agreed as a Consent to Taking by Agreement Deed, in the form attached to this item and having regard to the requirements of the Land Administration Act 1997.
44. As this action will result in the first stage of Range Road being created and can be achieved without significant financial implications for the Council, it is recommended that the staff recommendation be supported.

Consulted References	:	<i>Local Government Act 1995</i> <i>Land Administration Act 1997</i>
File Number (Name of Ward)	:	RD.ACQ.2
Previous Reference	:	OCM 11.10.2011 Item 2.2 OCM 26.04.2017 Item OCM 15.12.2017 Item PD093

CCCS050: PROPOSED NEW AIRPORT CAFE LEASE – ANNA KEKESI TRADING AS WAFFLES GALORE – ALBANY REGIONAL AIRPORT

Land Description : Lot 5643 on Deposited Plan 157458 and Lot 4861 on Deposited Plan 157338, the subject of Certificate of Title Volume 2088 Folio 492, Drome

Proponent : Anna Kekesi trading as Waffles Galore

Owner : City of Albany

Report Prepared by : Team Leader Property and Leasing (T Catherall)

Responsible Officer : Executive Director Corporate Services (M Cole)

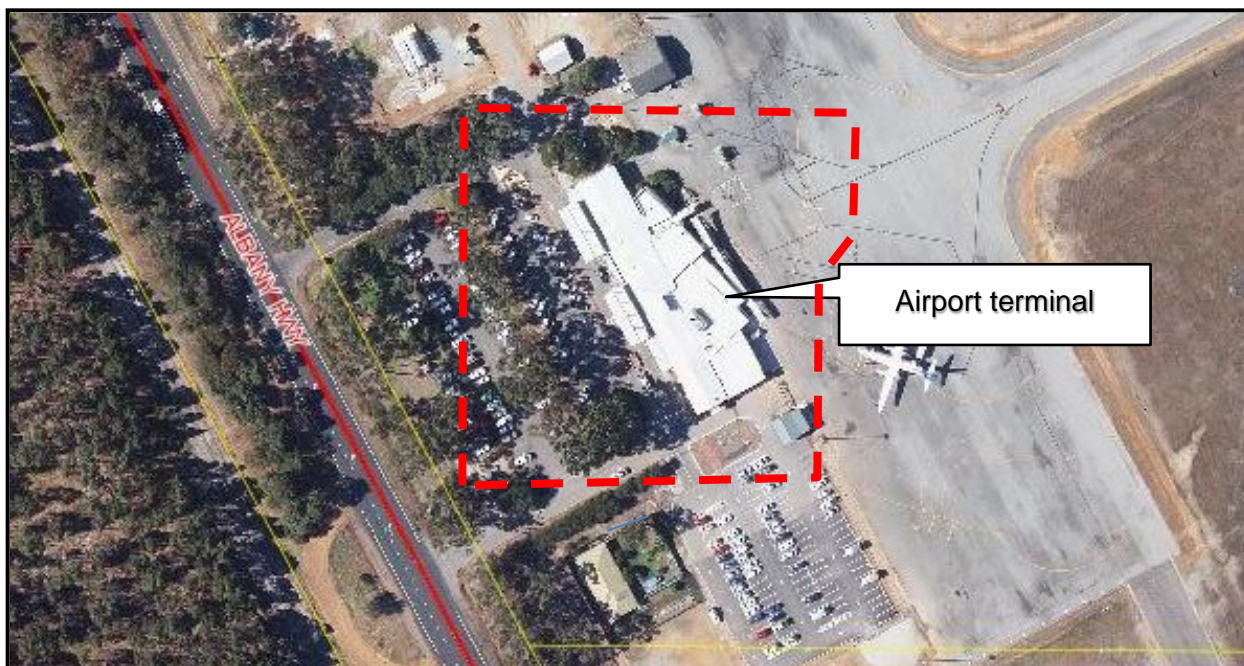
Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014-2018:
 - a. **Key Theme:** 5 Civic Leadership
 - b. **Strategic Objective:** 5.1 To establish and maintain sound business and governance structures
 - c. **Strategy:** 5.1.2 Develop informed and transparent decision making processes that meet our legal obligations

Maps and Diagrams:



In Brief:

- Council is requested to consider a new lease for Anna Kekesi trading as Waffles Galore in order to continue providing café services within the Airport terminal during access hours.
- In 2015, following the surrender of the Airport Café lease, an interim short term licence was put in place with Anna Kekesi to ensure café services were available to Airport customers.
- This licence has since expired and the tenant has continued to occupy and provide café services.
- The City and tenant have reached agreement, based on the existing licence terms and seek to formalise these arrangements in a new lease.
- The lease will be subject to the provisions of the *Commercial Tenancy (Retail Shops) Agreements Act 1985*.
- It is recommended that the proposed lease be approved.

RECOMMENDATION

CCCS050: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council APPROVE a new lease to Anna Kekesi trading as Waffles Galore, over the Airport Café space located within the Albany Airport terminal, subject to:

- a) Lease permitted use being cafe service, including takeaway food and beverages.**
- b) Lease area approximately 28.4 m² with Landlord's Fixtures and Fittings.**
- c) Lease rent being \$3,012 plus GST per annum.**
- d) Lease term being 2 years and 10 months, commencing 1 September 2017.**
- e) All costs associated with the ongoing operations of the leased premises being payable by the tenant.**
- f) Lease being advertised to comply with Section 3.58 of the *Local Government Act 1995* requirements.**
- g) Pursuant to section 14B of the *Commercial Tenancy (Retail shops) Agreements Act 1985* all costs associated with the preparation, execution and completion of the Deed of Lease being paid by the City of Albany, as Landlord; and**
- h) Lease being consistent with Council Policy – Property Management (Leases and Licences).**

BACKGROUND

2. The cafe kiosk located within the Albany Regional Airport Terminal building was previously leased to a commercial operator from 2008. The lease was surrendered by mutual agreement of parties in May 2015.
3. In order to meet the immediate needs of Airport customers, an interim short term licence was put in place with Anna Kekesi trading as Waffles Galore to provide café services.
4. It was agreed that the licence would be for a short term period of less than 6 months so as not to create a retail shops lease and trigger the 5 year statutory right granted to tenants under the *Commercial Tenancy (Retail Shops) Act 1985* (Retail Shops Act). The Act specifies that any term greater than 6 months provides a 5 year guaranteed term for the tenant.

5. The licence fee was \$1 + GST plus a utility fee of \$250 + GST per month which equates to \$3,012 + GST per annum, inclusive of outgoings.
6. The licence expired in December 2015. At the time, given the uncertainty around a new Regular Public Transport (RPT) provider and potential switch in operations, the tenant was allowed to remain at the premises. It was considered essential for continuous café services to be available to the public, knowing the tenant would accrue a statutory right to a 5 year retail tenancy.
7. It is considered that the arrangement has been successful in meeting the needs of both the City and Airport customers and all parties sought for the service to continue.

DISCUSSION

8. With the introduction of the new RPT provider REX Airline's operating smaller aircraft with more regular flights, it was considered there may be some impact on the café operations.
9. It was agreed to allow time for the tenant to monitor and adjust to the new airport flight schedule prior to considering a new agreement for the café. During this time it was established that the financial viability of the café has been impacted, in particular due to the same number of passengers now being spread over a greater period of time increasing café operating and staff expenses.
10. It was intended to negotiate a new lease based on a market rent and in line with Council's Property Management (Leases and Licences) Policy. However the market valuation completed in January 2016 returned a rental of \$5,200 + GST per annum, which was not accepted by the tenant given the marginal nature of the business.
11. Since the valuation, City staff have been in discussions with the tenant in an attempt to reach agreement to formalise a lease. It has been requested by the tenant and agreed by City staff to progress a new lease on similar terms and conditions as the existing licence arrangement, including the rent, based on the following reasons:
 - a. The operation of a café concession at the Airport is considered an important service to the travelling public and those farewelling and greeting passengers.
 - b. The operation of the business is considered marginal in terms of financial viability and if it had to be run by the City would operate at a significant loss factoring in penalty rates for early morning and late night flights.
 - c. The change in RPT aircraft operations in 2016 from the larger 46-48 seat aircraft at 15 flights per week to the smaller 34 seat aircraft at 23 flights per week has also worked to negatively impact the financial viability, such that there is the same number of passengers and potential revenue, however spread over a greater time period increasing staffing expenses.
37. It is acknowledged that the current rental of \$3,012 plus GST per annum is less than market rates and may not always fully cover all expenses incurred by the City for this leased premises. However the rent it is considered appropriate given the above and it is recognised that it may be difficult to secure a new tenant in this location.

GOVERNMENT & PUBLIC CONSULTATION

38. No Government consultation is required as the lease area is located within City of Albany owned freehold land.
39. Section 3.58 of the *Local Government Act 1995* outlines the requirements for the disposal of property, including leased/licenced land and buildings. The Act requires the following:
- a. A local government must give local public notice of the proposed lease/licence inviting submissions from the public, for a period of two weeks.
 - b. Any submissions are to be considered by Council and their decision with regard to those submissions, to be recorded in the minutes.
 - c. A local government can then proceed with the lease/licence.
40. The proposed lease will be advertised to comply with the requirements of Section 3.58 of the *Local Government Act 1995*.

STATUTORY IMPLICATIONS

41. Section 3.58 of the *Local Government Act 1995* defines the requirements for the disposal of property, including leased/licenced land and buildings including advertising requirements.
42. The lease will be prepared pursuant to the *Commercial Tenancy (Retail Shops) Agreements Act 1985*.

POLICY IMPLICATIONS

43. Council adopted a revised Property Management (Leases and Licences) Policy in July 2015.
44. The Policy aims to ensure that all requests for leases and licences will be treated in a fair and equitable manner using open and accountable methodology and in line with statutory procedures.
45. The Policy provides that any rent for commercial leases or licences will be determined by initial market valuation with rent reviews conducted every three years by market valuation and by CPI, All Groups (Perth) for intervening years.
46. It is recommended that Council relax current Policy provision for commercial leases requiring market rent. This is on the basis of the operational limitations for the Airport café.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation: new lease not approved	Possible	Moderate	Medium	Seek to negotiate terms to Council satisfaction
Community: new lease not approved – café services to Airport users limited	Possible	Moderate	Medium	Seek to negotiate terms to Council satisfaction

FINANCIAL IMPLICATIONS

48. All costs associated with the development, execution and completion of the lease agreement documentation will be payable by the City of Albany as Landlord, in accordance with Section 14B of the Retail Shops Act.
49. The lease rental of \$3,012 plus GST per annum will continue to be directed to Airport operating income.

LEGAL IMPLICATIONS

50. The commercial agreement with the tenant will be a formal Deed of Lease with enforceable conditions governed by the Retail Shops Act. The Deed will be developed by the City's lawyer.
51. The Act specifies that any continuous tenancy term greater than 6 months provides a 5 year guaranteed term for the tenant. There is a requirement to approve a lease for the remaining term with the current tenant to comply with legislation.
52. The City will provide the disclosure statements to the tenant as required under the Act. Failure to do so may result in the tenant having a right to terminate the lease and/or seek an order for compensation from the State Administrative Tribunal.

ENVIRONMENTAL CONSIDERATIONS

53. There are no environmental implications.

ALTERNATE OPTIONS

54. Given that the tenant has a statutory right to continue their existing arrangements, there is not considered to be any alternative than to approve the lease term for a further 2 years and 10 months, to comply with the Retail Shops Act.
55. While approving the lease term to comply with legislation, Council does have some discretion in regard to the proposed rent and outgoings. However it is noted that the tenant has not agreed to any variation to the existing financial arrangements.
56. Should Council not wish to support the proposed rent, further negotiations with the tenant will be required. It is considered that further negotiations may not be successful. It is also noted that securing a new tenant in this location may be difficult to achieve given the financial viability of the business.

SUMMARY CONCLUSION

57. The current tenant at the Airport café has been operating under a licence arrangement since 2015. This arrangement has been successful in meeting the needs of both the City and Airport customers.
58. With support of the Tenant, the City proposes to formalise the lease agreement in accordance with the Retail Shops Act. Under this Act the tenant has a right to occupy the café for a further 2 years and 10 months.

59. The current rental paid by the tenant is less than the market rental however it is considered appropriate to continue this rental in order maintain a café service to Airport customers and in view of the marginal nature of this business.
60. It is recommended the new lease to Anna Kekesi trading as Waffles Galore is approved to satisfy the Retail Shops Act requirements and to formalise the current arrangements.

Consulted References	:	<ul style="list-style-type: none"> • Council Policy – Property Management (Leases and Licences) • <i>Local Government Act 1995</i> • <i>Local Government (Functions and General) Regulations 1996</i> • <i>Commercial Tenancy (Retail Shops) Agreements Act 1985</i>
File Number (Name of Ward)	:	PRO404, A160418 (Kalgan Ward)
Previous Reference	:	Nil

CCCS051: PROPOSED LEASE

Land Description : REDACTED
Proponent : REDACTED
Owner : City of Albany
Attachments : REDACTED
Report Prepared By : Senior Lands Officer (N Crook)
Senior Team Leader Property, Leasing and Customer Service
(T Catherall)
Responsible Officers: : Executive Director Corporate Services (M Cole)

Responsible Officer's Signature:



CONFIDENTIAL

It is recommended that if discussion is required in regards to details contained within the Confidential Report, that the matters are discussed behind closed doors, in accordance with section 5.23(2)(c) & (e)(ii) of the Local Government Act 1995, being: a contract which may be entered into and information that has commercial value.

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014 - 2018:
 - a. **Key Theme:** 2 Clean, Green and Sustainable
5 Civic Leadership
 - b. **Strategic Objective:** 2.2 To maintain and renew City assets in a sustainable manner
5.1 To establish and maintain sound business and governance structures
 - c. **Strategy:** 2.2.2 Deliver effective asset maintenance programs
5.1.2 Develop informed and transparent decision making processes that meet our legal obligations.

- 11. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**
- 12. MEETING CLOSED TO THE PUBLIC**
CCCS051 PROPOSED LEASE
- 13. CLOSURE**