

COUNCIL AGENDA

Special Council Meeting

5:30pm, 20 June 2023

Council Chamber (Level 1), Civic Centre,
23 Dundebur Road, Wanneroo

wanneroo.wa.gov.au

PROCEDURE FOR SPECIAL COUNCIL MEETING

PUBLIC QUESTION AND STATEMENT TIME

The City encourages any members of the public who wish to raise a question to Council to submit this information via the **City's online forms** and/or contact **Council Support on 9405 5027**.

- [Public Question online form](#)

The City will make every endeavour to provide a response to any submissions at the meeting. All submissions will form part of the electronic meeting and will be recorded in the Minutes of the Special Council meeting.

1. Time Permitted

A minimum of 15 minutes is permitted for Public Question and Statement Time at Special Council Meetings. If there are not sufficient questions to fill the allocated time, the Presiding Member will move to the next item. If there are more questions to be considered within 15 minutes, the Presiding Member will determine whether to extend Public Question and Statement Time. Each person seeking to ask questions or make a statement during Public Question and Statement Time may address the Council for a maximum of three minutes each.

2. Protocols

No member of the public may interrupt the Special Council Meeting proceedings or enter into conversation.

Members of the public wishing to participate in Public Question and Statement Time at the Special Council Meeting are to register on the night at the main reception desk located outside of Council Chambers. Members of the public wishing to submit written questions or statements are encouraged to lodge them with the Chief Executive Officer at least 30 hours prior to the start of the meeting (that is, by 12noon on the day before the meeting).

The Presiding Member will control Public Question and Statement Time and ensure that each person wishing to ask a question or make a statement is given a fair and equal opportunity to do so. Members of the public wishing to ask a question must state his or her name and address before asking a question. If the question relates to an item on the Agenda, the item number and title should be stated.

3. General Rules

The following general rules apply to Public Question and Statement Time:

- Public Questions and Statements should only relate to the business of the local government and should not be a personal statement or opinion;
- Only questions relating to matters affecting the local government will be considered at a Special Council Meeting, and only questions that relate to the purpose of the meeting will be considered at a Special Council Meeting;
- Questions may be taken on notice and responded to after the meeting;
- Questions may not be directed at specific Council Members or City Employee;
- Questions or statements are not to be framed in such a way as to reflect adversely on a particular Council Member or City Employee;
- To ensure the meeting progresses effectively, attendees are requested to refrain from repetitive comments on matters that have already been discussed.

- First priority will be given to persons who are asking questions relating to items on the current Special Council Meeting Agenda; and
- Second priority will be given to Public Statements. Only Public Statements regarding items on the Special Council Agenda under consideration will be heard.
- Each person seeking to ask questions or make a statement during Public Question and Statement Time may address the Council for a maximum of three minutes each.

**Please ensure mobile phones are switched off before entering the Council Chamber.
For further information, please contact Council Support on 9405 5000.**

AUDIO OF SPECIAL COUNCIL PROCEEDINGS

The audio proceedings of this meeting will be live broadcast online with the exception of matters discussed behind closed doors. That broadcast will remain available following the conclusion of the meeting.

To access a live stream of Special Council Proceedings please click below. The live stream will commence at the scheduled time and date of the meeting.

- [Live stream audio of Council Proceedings](#)

To access audio recording of previous meetings, please click below:

- [Audio recordings](#)

RECORDING AND ACCESS TO RECORDINGS OF COUNCIL MEETINGS POLICY

Objective

To ensure there is a process in place to outline the access to recorded Council Meetings.

To emphasise that the reason for recording of Council Meetings is to ensure the accuracy of Council Meeting Minutes and that any reproduction of these Minutes are for the sole purpose of Council business.

Implementation

This Policy shall be printed within the Agenda of all Council Meetings which include:

- Ordinary Council Meeting;
- Special Council Meeting;
- Annual General Meeting of Electors;
- Special Electors Meeting; and
- Briefing Sessions.

To advise the public that the proceedings of the meeting are recorded.

Evaluation and Review Provisions

Recording of Proceedings

1. Proceedings for Meetings detailed in this policy; as well as Deputations and Public Question Time during these meetings shall be recorded by the City on sound recording equipment, except in the case of a meeting where Council closes the meeting to the public.
2. Notwithstanding subclause 1, proceedings of a Meeting, which is closed to the public, shall be recorded where the Council resolves to do so.
3. No member of the public is to use any audio visual technology or devices to record the proceedings of a Meeting, without the written permission of the Mayor or the Mayors Delegate.

Access to Recordings

4. Members of the public may purchase a copy of the recorded proceedings or alternatively, listen to the recorded proceedings at the Civic Centre online if the recording is published on the City of Wanneroo website. Costs of providing a copy of the recorded proceedings to members of the public will include staff time to make the copy of the proceedings; as well as the cost of the digital copy for the recording to be placed on. The cost of staff time will be set in the City's Schedule of Fees and Charges each financial year.
5. Council Members may request a copy of the recording of the Council proceedings at no charge.
6. All Council Members are to be notified when recordings are requested by members of the public, and of Council.
7. COVID-19 Pandemic Situation
During the COVID-19 pandemic situation, Briefing Sessions and Council Meetings that are conducted electronically, will be recorded. The CEO is authorised to make a broadcast of the audio recording of such meetings accessible to the public, as soon as practicable after the meeting.
8. Briefing Sessions and Council Meetings that are recorded. The CEO is authorised to make a broadcast of the audio recording of such meetings accessible to the public, as soon as practicable after the meeting.

COMMONLY USED ACRONYMS AND THEIR MEANING

Acronym	Meaning
ABN	Australian Business Number
ACN	Australian Company Number
Act	<i>Local Government Act 1995</i>
CBP	City of Wanneroo Corporate Business Plan
CHRMAP	Coastal Hazard Risk Management & Adaption Plan
City	City of Wanneroo
CPI	Consumer Price Index
DBCA	Department of Biodiversity Conservation and Attractions
DFES	Department of Fire and Emergency Services
DOE	Department of Education Western Australia
DOH	Department of Health
DPLH	Department of Planning Lands and Heritage
DPS2	District Planning Scheme No. 2
DLGSCI	Department of Local Government, Sport and Cultural Industries
DWER	Department of Water and Environmental Regulation
EPA	Environmental Protection Authority
GST	Goods and Services Tax
JDAP	Joint Development Assessment Panel
LTFP	Long Term Financial Plan
MRS	Metropolitan Region Scheme
MRWA	Main Roads Western Australia
POS	Public Open Space
PTA	Public Transport Authority of Western Australia
SAT	State Administrative Tribunal
SCP	City of Wanneroo Strategic Community Plan
WALGA	Western Australian Local Government Association
WAPC	Western Australian Planning Commission



Notice is given that the next Special Council Meeting will be held in the Council Chamber
(Level 1), Civic Centre,
23 Dundobar Road, Wanneroo on **Tuesday 20 June, 2023** commencing at **5:30pm**.

D Simms
Chief Executive Officer
16 June, 2023

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AGENDA

Good evening Councillors, staff, ladies and gentlemen.

This meeting today is being held on Whadjuk Noongar boodja and I would like to acknowledge and pay my respects to Elders past, present and future. I thank all past and present members of the community that have supported the City to better understand and value Noongar culture within the City of Wanneroo.

I invite you to bow your head in prayer:

Lord, We thank you for blessing our City, our community and our Council. Guide us all in our decision making to act fairly, without fear or favour and with compassion, integrity, wisdom and honesty. May we show true leadership, be inclusive of all, and guide all of the City's people and many families to a prosperous future that all may share. We ask this in your name. Amen.

Item 1 Attendances

Item 2 Apologies and Leave of Absence

Item 3 Public Question and Statement Time

In accordance with Section 7(4)(b) of the *Local Government (Administration) Regulations 1996*, a Council at a Special Meeting is not required to answer a question that does not relate to the purpose of the meeting. It is therefore requested that only questions that relate to items on the agenda be asked. The procedure for Public Question and Statement time is detailed in the preliminary pages of this Agenda.

Item 4 Reports

Declarations of Interest by Council Members, including the nature and extent of the interest. Declaration of Interest forms to be completed and handed to the Chief Executive Officer.

Property Services

SCS01-06/23 Project Update - Former Quinns Rocks Caravan Park Site

File Ref:	22542V030 – 23/133773
Responsible Officer:	Director, Corporate Strategy & Performance
Attachments:	14
Previous Items:	CS03-07/22 - Project Update - Quinns Rocks Caravan Park Re-development - Expression of Interest Process - Ordinary Council - 12 Jul 2022 6:00pm CB03-11/12 - Future Redevelopment of Quinns Rocks Caravan Park, Mindarie - Ordinary Council - 13 Nov 2012 7.00pm CB01-12/13 - Tender 01329 - Provision of Consultancy Services for the Proposed Redevelopment of Quinns Rocks Caravan Park, 2 Quinns Road, Mindarie - Ordinary Council - 10 Dec 2013 7.00pm CS08-06/15 - Quinns Rocks Caravan Park Re-development - Establishment of Councillor Working Group - Ordinary Council - 23 Jun 2015 7.00pm

CS10-05/18 - Quinns Rocks Caravan Park Redevelopment Working Group - Updated Terms of Reference - Ordinary Council - 29 May 2018 7.00pm
CS03-09/20 - Business Case - Quinns Rocks Caravan Park Re-Development - Ordinary Council - 22 Sep 2020 7:00pm
CE01-06/16 - Adoption of Economic Development Strategy & Action Plan - Ordinary Council - 28 Jun 2016 6.00pm
CS04-12/20 - Response to Petition PT01-09/20 - Opposing any Expansion of the Former Quinns Rocks Caravan Park Site at Lot 211 Quinns Road, Mindarie - Ordinary Council - 14 Dec 2020 7:00pm
CS05-12/20 - Terms of Reference - Quinns Rocks Caravan Park Re-Development Community Advisory Group - Ordinary Council - 14 Dec 2020 7:00pm
CS03-07/21 - Proposed Road Closure of Unnamed and Unconstructed Road Reserve - Ordinary Council - 13 Jul 2021 6:00pm

Issue

To provide an update on the former Quinns Rocks Caravan Park site, including the outcomes of recent community engagement.

Background

The project has been ongoing for more than 10 years and has a high level of community interest (particularly in the immediate local area). For this reason, and noting the current stage and decision point for Council should not be viewed in isolation, this Background section of the current report provides a higher level of detail on the context and history of the project than would typically be the case for an Administration report to Council.

From a community information perspective, further information is available on the project 'Your Say' page on the City's website and in prior Council reports (referenced in the current report).

Lot 211

The former Quinns Rocks Caravan Park site (**Site**) is located on a portion of the City's freehold land at Lot 211 Quinns Road, Mindarie (**Lot 211**) (**Attachment 1** refers).

Lot 211 has a total area of 11.042 hectares and is zoned 'Regional Reserve – Parks & Recreation' in the MRS.

The land is bisected by an unconstructed road reserve, running approximately south-west from Seaham Way to the foreshore reserve (Reserve 20561).

The northern, eastern and southern portions of Lot 211 are vegetated with natural coastal heath, which encompasses both good quality and degraded bushland. Unsealed tracks traverse the vegetated areas.

The vegetated areas of Lot 211 are designated as part of Bush Forever Site 397. This Bush Forever status includes the existing leased sites, Portofinos, Sea Spice and the Quinns-Mindarie Surf Life Saving Club (Inc.) (**QMSLSC**), the Quinns-Mindarie Community Centre

(**QMCC**), the Site, bituminised car parks and a drainage sump (notwithstanding those areas are cleared and already developed).

The current land uses have been in place for a number of years and are considered to be consistent with the intent and function of the Parks & Recreation reserve as approved by the WAPC (which is the responsible planning agency).

Former Caravan Park Site

The Site comprised approximately 1.9 hectares of Lot 211 and a small portion encroaching into Reserve 20561.

There is evidence of camping and similar uses since the late 1940s, with Lot 211 owned by the City since 1961 and a caravan park in operation since the later 1960s.

The former caravan park closed in 2014, with buildings and other improvements being demolished and removed at that time. An aerial image of Lot 211 at the time Council resolved to commence decommissioning the Site (CB03-11/12) is attached as **Attachment 2**.

The Site is now vacant, with a portion used on a temporary basis for overflow parking. The temporary overflow parking was provided at the time of construction of the QMCC but was not intended to be a parking facility in the longer term. It is currently made available to service increased vehicular traffic during peak summer periods.

Due to the location of the Site, which lacks passive surveillance and passing traffic, anti-social behaviour (including drug use and off-road vehicles (including 4WDs) driving into the bushland) is an ongoing problem when the temporary overflow car park is accessible.

Project context

Below is a brief timeline of the key milestones that have occurred regarding the Site. More detailed information on each of these steps can be found in previous reports to Council.

It is important to note that the project has been reported to Council on a number of instances in the past decade and that each subsequent phase followed Council consideration.

- **2012** (CB03-11/12): Council resolved to close the former caravan park and investigate future operations. The resolution noted:
 - '1. *RESOLVES to operate Quinns Rocks Caravan Park as a typical modern caravan park into the future featuring serviced sites for caravans, campervans and RV's brought onsite by short stay visitors, with a limited number of park homes available for short term hire by the public; and*
 - 6. *REQUIRES Administration to submit a series of reports to Council to consider a framework/plan for transitioning the site, and determining the terms of tender documentation to be publicly advertised seeking Expressions of Interest/Tenders from suitably qualified and experienced caravan park operators for the upgrade and management of the caravan park.'*
- **2014**: Former caravan park decommissioned and left vacant.
- **2014 - 2017**: Investigations occurred to inform development scenarios as well as stakeholder and community engagement at intervals during this period. This period included the formation of the Quinns Rocks Caravan Park Re-Development Working Group (**Working Group**).

- **2016** (CE01-06/16): The City's Economic Development Strategy and Action Plan 2016 - 2021 (**Action Plan**), was adopted. Item 1.4c) of Program 1 (Industry Diversification) in the Action Plan identified the need for market research for potential tourism park opportunities at the Site.
- **2017**: Installation of temporary overflow car park, to coincide with construction of the QMCC.
- **2017 – 2019**: A business case process was commenced to determine if it was feasible to develop a tourism accommodation operation on the Site. The first stage of the business case involved conducting a study to identify technical and financial considerations, as well as market conditions and overall demand for the Site's redevelopment. Research and feedback from industry and the community, the outcome of the initial environmental and bushfire assessments, and detailed financial analysis and modelling were also included.
- **2018 – 2019**: As part of the business case process, the City sought community input and feedback on the site's future.
- **2020** (CS03-09/20): The second stage of the business case was endorsed by Council (CS03-09/20). The business case (**Attachment 3** refers) was attached to the September 2020 report to Council, and is also attached to the current report to provide further context to Council and the community.

The business case focused on the economic viability of three discrete accommodation options:

- a) tourist park (traditional caravan sites and chalets);
- b) an eco-retreat (glamping); and
- c) luxury units,

with the family tourist park and eco retreat options identified as the most viable development scenarios.

In the same Ordinary Council Meeting item, Council also authorised an Expression of Interest (**EOI**) program to investigate market-based interest from third party operators to develop the Site.

The resolution associated with the above noted:

- “1. *ENDORSES the Quinns Rocks Caravan Park Redevelopment Business Case (August 2020) prepared by Pracsys (Attachment 3);*
2. *AUTHORISES Administration, in consultation with Pracsys and Quinns Rocks Caravan Park Re-Development Working Group, to:*
 - a) *Develop and conduct an Expression of Interest process for market-based interest from third party operators, of the former Quinns Rocks Caravan Park site (as a modern caravan or holiday park) under a commercial ground lease, noting that:*
 - i. *The Expression of Interest will invite submissions on one, or both of the following alternatives:*

- a. *The original footprint of the former Quinns Rocks Caravan Park; and*
 - b. *The original footprint plus an expansion in accordance with item 2. a) ii. below;*
 - ii. *Any expansion to the development footprint of the former Quinns Rocks Caravan Park site will be to the extent reasonably required for the commercial viability of a development, while preserving the environmental value the majority of natural vegetation at Lot 211 Quinns Road, Mindarie (noting that the preservation of the environmental value will be an important criterion in the Expression of Interest process); and*
 - iii. *The outcomes of the Expression of Interest process, including any recommended lessee/ operator and development footprint will be the subject of a subsequent report to Council; and*
 - b) *Investigate and report to Council on options to preserve and enhance the environmental value of those portions of Lot 211 Quinns Road, Mindarie which are not required for the redevelopment of the former Quinns Rocks Caravan Park; and*
3. *NOTES that Administration, in parallel to the Expression of Interest process described in Recommendation 2 above, will:*
 - a) *Undertake further community engagement in conjunction with the Expression of Interest process, including site specifications and design elements, with that community engagement to include:*
 - i. *Providing information sessions for participants in the community workshops (and other interested parties) to convey further details on the Expression of Interest process; and*
 - ii. *Investigation of a reference group (or groups) or an Advisory Group (or Advisory Groups), representing local, environmental/ heritage and business/ tourism interests, to inform the Quinns Rocks Caravan Park Re-Development Working Group on the development of the Expression of Interest documentation; and*
 - b) *Engage with the Department of Planning, Lands and Heritage in relation to the land tenure of the road reserve area bounded by Lot 211 Quinns Road, Mindarie.”*

Council's decision in September 2020 on the format for the EOI was a key milestone, in that Council recognised the local concerns that bushland adjoining the Site may be impacted by development. In response, Council's resolution specified that the EOI was to target development within the original footprint of the Site, rather than an expansion into the surrounding bushland, and with due consideration to local community, heritage and environmental conservation value.

- **2021:** The EOI was released to the market seeking proponents to fund, develop and operate a low impact, environmentally sensitive tourism accommodation site on the Site. The EOI document (**Attachment 4** refers) was attached to the July 2022 report to Council

(CS03-07/22), and is also attached to the current report to provide further context to Council and the community.

EOI proponents were invited to demonstrate their ability to operate within a small footprint (with the EOI weighted against any expansion proposal), and with criteria giving consideration to local community, heritage and environmental conservation value.

The EOI specified that any development will occur under a ground lease from the City, on the basis that the operator would be responsible for development (including approvals), construction, operating costs (including maintenance) and make good at the end of the lease term.

- **2022** (CS03-07/22): Following the evaluation of EOI submissions, Council identified a preferred proposal, together with authorising further actions:
 - “1. *NOTES the submissions received during the Expression of Interest process for the redevelopment of the former Quinns Rocks Caravan Park site on the City’s freehold property at Lot 211 Quinns Road, Mindarie;*
 2. *DECLINES the submission from the Campervan and Motorhome Club of Australia Ltd (Attachment 4 refers);*
 3. *NOTES the submission received from Heritage W.A. Investments Pty Ltd (Attachments 7, 8 and 9 refer) as being the preferred proposal from the Expression of Interest process for the development of a tourist opportunity on a ground lease basis in accordance with section 3.58 of the Local Government Act 1995 (WA) (limited to the existing footprint of the former vacant Quinns Rocks Caravan Park);*
 4. *AUTHORISES the Chief Executive Officer (or a nominee of the Chief Executive Officer), to continue discussions in accordance with the provisions of the Local Government Act 1995 (WA) with Heritage W.A. Investments Pty Ltd (or a company to be established by the directors of that entity) further to item 3 above;*
 5. *NOTES the outcome of the negotiations in Item 4 (including the lease terms and the scope of the development proposal) will be subject to:*
 - a) *a further report to Council for approval of the lease; and*
 6. *NOTES that Administration will consult with the Quinns Rocks Caravan Park Re-Development Working Group to support and inform the discussions in Item 4 above;*
 7. *NOTES that Administration will, commencing as soon as practicable and during the discussions described in Item 4 above:*
 - a) *release preliminary project information in relation to the preferred proposal including via the City’s ‘Your Say’ internet page;*
 - b) *undertake further community engagement in accordance with the City’s Community Engagement Policy, with that engagement to include consultation with the community to obtain their views for the preferred use of the former Quinns Caravan Park Site (whilst clearly outlining the current use, community value, constraints and environmental impacts); and*
 - c) *engage with the existing lessees of the City’s land at Lot 211 Quinns Road, Mindarie, including the Quinns-Mindarie Surf Life Saving Club (Inc.);*

9. *NOTES that Administration will continue to investigate, and will report to Council on the outcomes of the community engagement and the, options to preserve and enhance the environmental value of those portions of Lot 211 Quinns Road, Mindarie which are not required for the redevelopment of the former Quinns Rocks Caravan Park.”*

Preferred Proposal

The development proposal preferred by Council from the EOI process had been submitted by Heritage W.A. Investments Pty Ltd and its director, Russell Percival (**Proponent**), noting that the Proponent intended to incorporate a new corporate entity to implement the Proposal and develop the Site, in the event that a ground lease was approved by Council.

The Proponent's submission characterised its development proposal (**Proposal**) as a 'glamping' site, featuring holiday accommodation / glamping (furnished, air conditioned, decked and with an ensuite bathroom).

The Proposal incorporated additional facilities and amenities:

- a licensed café/restaurant structure which would act as a central hub and overlook a lawn area facing Quinns Beach;
- an events space as part of the café/restaurant catering for corporate retreats, conferences, private events (birthdays, weddings, etc.), community group meetings and activities;
- lawn area with potentially a shallow reflection pool. This area would be used by guests, family groups, yoga, small intimate concerts and some wedding ceremonies and receptions. Most of these events will be open to the public, subject to being reserved for events bookings; and
- toilet/shower block, car parking areas, laundry, office and caretaker-security/accommodation, and shaded seating area.

The Proposal will be designed and engineered to withstand high winds that are experienced at the Site. Additional mitigation measures will be used, such as wind breaks, full glass and aluminium frontages and solid eastern and southern walls which will be retrofitted in canvas.

The overall scope of the Proposal, incorporating the above features, may be described as 'ecotourism, café and community event space', with this being the description used in the City's recent community engagement process.

When identifying the Proposal as the preferred EOI submission (CS03-07/12), Council did not resolve to finalise lease negotiations. Instead, Council resolved to continue discussions with the Proponent in advance of a future leasing report to Council.

The progress of the discussions with the Proponent is described in the Detail section below. In considering the status of the Proposal, it is important for Council and the community to note that there has been progress (in part informed by the engagement process), so that the Proposal as considered in July 2022 was at an earlier stage and has evolved and been refined since that time.

The discussions with the Proponent were to coincide with other project actions identified in the July 2022 report to Council and Council's resolution, including further community engagement.

Community engagement

Council required additional community engagement as part of its resolution on 12 July 2022 (CS03-07/22, at item 7) relating to the future of the former Quinns Rocks Caravan Park:

“NOTES that Administration will, commencing as soon as practicable and during the discussions described in Item 4 above:

- a) release preliminary project information in relation to the preferred proposal including via the City’s ‘Your Say’ internet page;*
- b) undertake further community engagement in accordance with the City’s Community Engagement Policy; and*
- c) engage with the existing lessees of the City’s land at Lot 211 Quinns Road, Mindarie, including the Quinns-Mindarie Surf Life Saving Club (Inc.)”*

The implementation of the community engagement strategy, together with the data and findings from the engagement process, are described in the Detail section of this report.

Further project updates

In addition to providing an update to Council on the discussions with the Proponent and the recent engagement process, the current report includes information on other aspects of the project, including:

- a parking study to identify parking patterns and occupancy rates at Lot 211;
- the progress of Administration’s discussions with representatives of the QMSLSC;
- Administration’s investigations on the history of Lot 211 being transferred to the City; and
- consideration of how the City may respond to the findings from the engagement process, including options to address concerns raised by sections of the community.

Detail

Engagement consultant and strategy

Administration contracted community engagement specialist Viv Warren of Viv Warren Consulting (**Viv Warren**) to develop and conduct the community engagement strategy for the Quinns Rocks Caravan Park Project.

In alignment with the City’s Community Engagement Policy, Viv Warren developed a strategy to further engage and consult the community. The strategy was endorsed by the Working Group.

Implementation of community engagement strategy

The engagement process commenced in December 2022 and concluded in March 2023 and involved two phases:

- **First Phase:** Information sharing and direct, smaller group and one-on-one engagement:

- a) Project information was shared online, primarily via the Your Say page. This included a concept plan of the proposed development (supported by an aerial overlay with the current site), a video fly-through and a detailed Question and Answer document, with the latter document being updated on an ongoing basis when questions had been raised by Council Members, the community and project stakeholders.
 - b) Qualitative feedback was invited from key stakeholders including one-on-one meetings with local residents, businesses and other interested parties, question and answer sessions, email and phone conversations, online feedback and a community drop-in session. This has provided in-depth responses about the concept proposal and preferred uses of the Site.
 - c) The first phase commenced on 14 December 2022, with meetings occurring in January and February 2023.
- **Second Phase: Community survey:**
 - a) The survey investigated and aimed to understand broader views on the proposed development and preferred uses of the Site.
 - b) The survey was distributed in two ways to provide two discrete data sets.
 - i) A public data collection, completed on an open, self-selected basis (**Open Sample**), to allow Council to understand the views of residents and ratepayers most passionate and interested in the site; and
 - ii) A market research collection, conducted by Thinkfield Research (**Thinkfield**), an external market research agency engaged by Viv Warren. Focusing on random selection door-to-door interviews (**Market Research Sample**), to allow Council to understand the perspectives of the local Quinns Rocks and broader City of Wanneroo community with statistical confidence.
 - c) Open Sample:
 - i) Intended to provide and reflect the views of those that are most interested and/or impacted by the project.
 - ii) City of Wanneroo residents and ratepayers over the age of 14 were invited to complete a Thinkfield survey accessible through the City's website.
 - iii) Hard copies of the survey were available from City of Wanneroo libraries and the Civic Centre and other key locations, including the QMSLSC/QMCC building. Copies could also be requested through City staff.
 - iv) The final data set for the Open Sample comprised 1,006 respondents:
 - 742 respondents identified as residents of the Central West Ward; and
 - 264 respondents identified as residents of the other six Wards that comprise the City of Wanneroo.

- d) Market Research Sample:
- i) The Market Research Sample enables Council to understand the likely views of the population they represent, to an acceptable level of statistical confidence.
 - ii) The process targeted 400 responses, comprising:
 - 200 respondents from the Central West Ward, to provide a high degree of confidence that the results represent the views of the residents and ratepayers closest to the site; and
 - 200 responses from residents and ratepayers across the rest of the City of Wanneroo, to provide statistical confidence that the results represent the views of the broader City of Wanneroo community outside the immediate suburbs of Quinns and Mindarie.
 - iii) The final data set for the Market Research Sample comprised 426 respondents:
 - 196 respondents identified as residents of the Central West Ward; and
 - 230 respondents identified as residents of the other six Wards that comprise the City of Wanneroo.
 - iv) The sample of 426 provides a theoretical survey error rate of approximately 4.7% at a 95% confidence level. The sample of 196 for the Central West Ward provides a survey error of proximately 7%, and the 230 for the remainder of the City of Wanneroo an approximate survey error rate of 6.5%.
 - v) An equivalent statistical level of confidence is not experienced with the Open Sample.

To support the engagement process, the City engaged (via Viv Warren):

- Thinkfield to host and collect responses associated with the community engagement survey; and
- Keith Paterson of Patterson Market Research, as a specialist to direct the market research, supervise field staff collecting data and analyse the results.

Outcomes of community engagement

The key findings of the engagement process are prepared in **Attachment 5**, with a summary version provided in **Attachment 6**. Administration's summary below should be read together with those Attachments.

The community and stakeholder responses during the engagement process were varied, with some participants supporting, some opposing, and a smaller proportion neutral or indifferent.

The levels of support for the Proposal varied depending on the type of engagement activity attended, with focus group attendees mostly supportive, interviewees divided, and drop-in session attendees mostly opposed.

The survey data revealed support (70%) for the Proposal in the Market Research sample collected by Thinkfield. Most respondents, regardless of their residential proximity to the site, were in favour of the Proposal.

In contrast, the Open Sample survey revealed a higher level of opposition (48%) to the proposal.

Survey Method	Level of Support	Level of Opposition
Market Research Sample	70%	10%
Open Sample	47%	48%

Data trends included:

- Supporters of the Proposal identified:
 - a) the Proposal as a modern and unique concept, eco-friendly design;
 - b) the need for accommodation;
 - c) increased tourism benefits to the region; and
 - d) the footprint for the Proposal reflected community preferences to contain the development within the existing caravan park site and not encroach on the surrounding bushland;
- Opponents had concerns regarding:
 - a) future public access to the Site;
 - b) the potential high cost of staying in the proposed accommodation, meaning that it would be less accessible than the former caravan park;
 - c) doubtful commercial viability, due to high winds at peak periods and lower occupancy in cooler times during the year;
 - d) noise, traffic and parking disruptions for immediate residents and users of Lot 211;
 - e) the potential future impact on the surrounding bushland (in the event there was a subsequent request to expand the development); and
 - f) impact on the potential future expansion of QMSLSC; and
- Opportunities to enhance the Proposal which were identified during the community engagement included:
 - a) increasing access to, and availability of facilities and amenities;
 - b) increasing accommodation options and keeping prices affordable;
 - c) adding playgrounds, paths, and sun protection; and
 - d) reviewing a proposed reflection pool to increase its utility and safety.

Attachments 5 and 6 were released to the public via the City's Your Say page on Tuesday, 30 May 2023.

To support the information release, updates were also provided to key stakeholders and to community members registered on the Your Say page. These included electronic direct mail (EDM), supported by an updated version of the QA document which is available on Your Say. A number of key stakeholders were also contacted via phone calls prior to the release.

The information release occurred in advance of the current Special Council Meeting, to provide an opportunity for the community to see the findings before this report is brought to Council for consideration.

It is important to note the community's valuable contributions made during this engagement process:

- Valuable feedback has been provided in regard to many aspects of the Site, Proposal, surrounding land uses and the area as a whole.
- In addition to attending meetings and participating in the survey, community members and stakeholder groups, particularly those in the immediate vicinity of the Site, met separately, prepared their own information sheets, circulated information at public venues and events, and participated in separate online discussions.
- Community members completed a petition in relation to the Site, which was received at the 12 June 2023 Ordinary Council Meeting. Further discussion of this item is provided below.
- Within the immediate local area, there is a notable section of the community and stakeholder groups which have a strong interest in the Site and its long-term use. In earlier phases of the project, this interest was more focused on limiting the development footprint and preventing expansion into native bushland, reflected in Petition PT01-09/20 (see CS04-12/20). In the recent phase, the community response has been more focused on securing community use of the Site and providing for the future expansion of the QMSLSC.

The community's feedback and the time taken to engage is valued and greatly appreciated. Administration recommends that the City continues to look for opportunities to work with the community and incorporate its perspectives in the future use of the Site and the surrounding area. Recommendations for this aspect are provided in the Comment section of this report.

Discussions with the Proponent

Administration continued discussions with the Proponent since July 2022, covering:

- collaboration during the community engagement process, with the Proponent assisting Administration with responses to community enquiries and Administration providing updates on engagement feedback and themes (to the extent relevant to the Proposal);
- the Proponent's corporate structure, which Administration requires for due diligence; and
- preliminary discussions on potential lease terms, noting that Administration has been unable to proceed with formal negotiations until Council decides to proceed with a lease.

The concept plan for the Proposal (overlayed with an aerial image of Lot 211) is provided in **Attachment 7**.

The concept plan may change, with aspects such as the accommodation locations and format subject to modification based on information shared with the Proponent during the engagement process and as part of the Proponent fine tuning its designs.

An example of the proposed accommodation structure is provided in **Attachment 8**.

Proponent and the engagement process

Feedback on the Proposal has been provided by the community during the engagement process.

Where relevant, community feedback prompted Administration to request project clarification from the Proponent, which were then shared with the community via the City's website.

Administration has found that the Proponent is responsive to enquiries from City staff, acknowledging that the Site is constrained and any modifications to the Proposal need to be operationally and financially viable.

Examples of community feedback that identified potential challenges or enhancements which could be considered by the Proponent included:

- Inclusion of sustainable design features: The Proposal was amended to include the use of solar panels and lights where possible to reduce energy consumption. The footings for all tents have also been designed to minimise environmental impact compared to traditional concrete footings.
- High coastal winds: Community members expressed concern that the tent structures would be unable to handle the strong coast winds on Site. The Proponent has confirmed that the tents will be designed and engineered to withstand extremely high winds. Additional aids such as wind breaks, full glass and aluminium frontages and solid eastern and southern walls (retrofitted in canvas) will be used.
- Affordability:
 - a) Initial community feedback indicated that price was very important. The community envisage the offering as somewhere for their family/friends from interstate/overseas to stay at while visiting. They expressed concerns that the price would be like other luxury glamping operations.
 - b) The Proponent responded by advising that accommodation prices would be lower than the other comparable "glamping" tents, such as on Rottnest Island. It is expected that accommodation options will start at approximately \$175 per night per tent. In this way, the pricing will be comparable to 'chalet' style accommodation in a modern caravan park or to hotel rooms in the Perth metropolitan area.
 - c) To maximise accommodation affordability, the Proponent suggested tiered pricing for family, deluxe and outpost tents and also proposed discounts for City of Wanneroo ratepayers and residents. This would be a commercial matter for the Proponent and its operating model.
- Public access: Community access to the site was a common theme in the community feedback. The proposal includes a licensed café, events space and lawn area with a

reflection pool overlooking the ocean. It is proposed that the community would have access to the café and lawn area, unless these areas are booked for a private function.

Administration notes that, in response to community feedback regarding the potential safety and maintenance challenges arising from the reflection pool, the Proponent has recently indicated a willingness to remove the reflection pool in a revision of the Proposal.

Community access to the lawn area would be encouraged and this area could be activated for regular and one-off community activities such as fitness programs, sunset concerts and community events. The lawn area, café and facilities will be available to the general public during daylight hours and when not booked for a private event.

- QMSLSC:
 - a) The Proponent is aware that QMSLSC sees the Site as a potential area to accommodate future expansion.
 - b) To try to understand QMSLSC's priorities, the Proponent was willing to meet with representatives of QMSLSC, noting that the Proponent met with representatives of Portofino's (as another key local stakeholder).
 - c) QMSLSC was not supportive of meeting with the Proponent. This meant that Administration instead met separately with QMSLSC and the Proponent and conveyed information between them.
 - d) In the event that Council resolved to proceed with a lease with the Proponent and for the Proponent to finalise its design and development plans, Administration would encourage QMSLSC and the Proponent to engage in direct discussions. In general, Administration's experience is that direct meetings between stakeholders are more likely to find an understanding and opportunities for collaboration.
- Food offering:
 - a) The Proponent has clarified that it intends to operate its café as primarily a breakfast and lunch offering.
 - b) The Proposal will not offer a dinner service and therefore will not impact on the main dinner offering at Portofinos and Sea Spice.
 - c) The Proponent has advised that it is interested in working with the surrounding business rather than competing, and that it would welcome collaboration (such as for neighbouring businesses, including Portofinos and Sea Spice, to have the opportunity to assist with catering services).
- Site footprint:
 - a) Avoiding or limiting an expansion was a concern expressed by the community during the engagement process.
 - b) In this regard, the Proponent has supported remaining in the footprint of the former caravan park, and the Proposal can be viewed as responsive to the community aspirations expressed in Petition PT01-09/20 (considered by Council in December 2020, CS04-12/20).
 - c) For reference, the petition had provided:

'We are opposed to any expansion to the development footprint of the former Quinns Rocks Caravan Park site at Lot 211 Quinns Road Mindarie which will encroach on Bush Forever site #397'

Company structure

The Proponent's company structure is not yet final and remains subject to change. As engagement with the Proponent remains in a 'discussion' stage and is not yet at formal negotiations, the Proponent has not finalised its company and investment structure.

As an interim update, Administration has been advised that, if the Proposal receives support from Council to proceed, the Proponent will establish a new company to develop and operate the Proposal. Potential investors have been identified by the Proponent.

Administration will undertake further due diligence once the company structure, shareholders and officers are known.

Further detail is provided in **Attachment 9**. Given that lease negotiations are still pending, the information is commercially sensitive and has been marked confidential.

Lease terms

Discussions with the Proponent included possible lease terms should the Proposal be supported by Council. This has not progressed to formal lease negotiations or final lease terms.

The Proponent has reviewed the following preliminary outline of essential lease terms and has indicated those terms are likely to be acceptable, subject to lease negotiations:

Lease Type	Ground Lease (Agreement for Lease to provide for the approvals and development phase of the project).
Term	21 years Although the Proponent would not be securing the Site permanently, the lease term needs to be sufficiently long term to provide an adequate return on investment.
Commencement date	On practical completion of the Proponent's works constructing the Proposal.
Options	No option provided. Proponent has requested a first right of refusal should the City intend to lease the Site for the same permitted use after the expiry date.
Rent	Market Value. Currently assessed as \$50,000 per annum plus GST (valuation dated 17 March 2023) (Attachment 10 refers). No rental incentives are currently proposed, other than deferring rent until the Proponent's development has commenced trading. Delaying rent payments until the commencement of trading is a relatively common and market appropriate position. In the event that financial incentives (such as a rent-free period) were agreed during formal lease negotiations, these would be disclosed in the City's local public notice under section 3.58 of the Act.

Permitted Use	Short-term accommodation and café/restaurant/functions/bar.
Outgoings	Proponent responsible for all maintenance costs, rates, outgoings and utility costs.
Security	<p>Security/guarantee will be largely in place to provide the City with an adequate buffer to allow for make good of the site should the Proposal default.</p> <p>Amount to be confirmed by negotiation, and will be informed by due diligence on company structure (once it is in place and finalised).</p>
Documentation	<p>Tenure would be structured in an Agreement for Lease (covering the approval and construction phase) and a Ground Lease (covering the operational phase).</p> <p>Should this matter progress and lease conditions are finalised, the City will prepare formal lease documents based on the City's template agreement for lease and ground lease documents (similar to those recently used for Scouts WA and the Wildflower Society of WA).</p> <p>Lease documents would be prepared by the City (at the City's cost), with each party responsible for its own review and negotiation costs.</p> <p>The Proponent has been presented with the City's current template draft lease and agreement for lease. The Proponent has indicated the template documents are largely acceptable, subject to lease negotiations and further document review.</p>
Other terms	<p><u>Conditions precedent</u></p> <p>The agreement for lease will be subject to conditions precedent determined by negotiation. Administration anticipates this would include the transaction being subject to securing all development approvals and other approvals for the construction and operation of the Proposal.</p> <p>The Proponent has not prepared a development application and related plans at the current time, due to uncertainty regarding Council's intent to proceed.</p> <p>If Council resolved to proceed with the agreement for lease and ground lease, the Proponent's preparation of its development application would include other site considerations, such as noise control and the management of any bushfire risk at the Site.</p> <p>There would be a 'sunset date' attached to the conditions, so that the Agreement for Lease would come to an end if the Proponent was unable to secure its approvals and complete the development by an agreed date. Typically, this would be a period of 24 months, but will be confirmed by negotiation.</p>

	<p><u>Responsibility for development</u></p> <p>Development tasks and costs would be the Proponent's responsibility. The Proponent has not requested that the City contribute to the funding of the development or provide works on the Site.</p> <p>The Proponent's estimated investment in the development is in the region of \$7.5 million - \$8 million.</p> <p>The Proponent will be responsible all site operating and maintenance costs. This will provide saving on the City's current costs in providing security and waste removal from the Site.</p> <p><u>Community access</u></p> <p>Should Council decide to proceed with a lease over the Site, lease terms, once negotiated, may include measures to enhance community access to the site.</p> <p>These terms could include the requirement that the Proponent allow access to the Site for specified community activities.</p> <p>Given the Proponent's interest in engaging with the community as a key part of the business, Administration anticipates that the City would be able to negotiate to reflect a level of community access and use under the lease.</p> <p><u>Make good</u></p> <p>The Proponent would be responsible for removing improvements and leaving the Site in a clean and clear condition at the end of the lease term.</p> <p>Subject to negotiation, the only exception would be if the City directed that improvements are to remain in place, such as where they offered value for the future use of the Site.</p>
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Parking study

Administration commenced a parking study in late 2022 to inform Council on parking patterns and occupancy rates at the Quinns Mindarie Coastal Node (**Parking Study**). This area extends from the Site in the south to the artificial headland on the beach between Pearce Street and Hall Road in the north.

The Parking Study (**Attachment 11** refers) identifies parking patterns and occupancy rates at the Quinns Mindarie Coastal Node during a peak usage period in summer 2022/23.

The Quinns Mindarie Coastal Node area incorporates the foreshore reserve and the land uses within Lot 211. The land uses are for the QMSLSC, QMCC, Portofinos Restaurant and Sea Spice Indian Restaurant.

Data was collected during the peak summer season of December 2022 and January 2023 using traffic counters installed at the entrance and exit of the Quinns Mindarie Coastal Node car park, as well as at the entry to the overflow car park.

The Parking Study:

- is focused on current usage;
- is limited to all existing land uses associated with Lot 211 and general beach and foreshore visitation in the vicinity; and
- does not speculate on additional parking demand that will be generated by the proposed development of the Site.

Administration's discussions with the Proponent (and the prior expression of interest process) have been clear that a redevelopment of the Site needs to provide for its own guest parking.

Findings and recommendations are outlined in section 7 of the Parking Study, with additional parking options considered in detail in section 5.

The parking data revealed that from Monday through to Saturday, there is sufficient parking to accommodate all uses at the site, with over 30% capacity available at peak times.

Parking demand at the site only exceeds formal capacity on Sundays.

Administration has listed a project in 2023/24 to undertake a feasibility study for the provision of a new car park at the existing drainage sump, to service the Quinns Mindarie Coastal Node. As identified in the Parking Study, there is no other location within suitable walking distance to the coastal node, where a serviceable amount of parking could be provided to meet average Sunday morning peak parking demand.

Administration will progress with the investigation into potential additional parking in the location of the City's drainage sump in Lot 211 Quinns Road, Mindarie irrespective of Council's decision on how to proceed with the use of the Site, noting that parking capacity at the Quinns Mindarie Coastal Node is a wider precinct consideration.

Quinns Mindarie Surf Life Saving Club

QMSLSC provides valuable services for the community, including surf patrols, community safety awareness and the provision of spaces for the community to connect.

At the time of the July 2022 report to Council and subsequently during the community engagement process, QMSLSC members expressed concerns regarding the Site's proposed redevelopment. Feedback, which in some cases was provided directly to City staff and in other instances was shared on social media, included that the Proposal would impact parking availability and limit the potential future expansion of the QMSLSC facility.

During the community engagement process, QMSLSC began to advocate more strongly for its own expansion to provide storage and membership space. Whereas at the time of the July 2022 report to Council this advocacy had been focused on an open, decked area, QMSLSC subsequently clarified to Administration that it was nearly at capacity and generally required additional space to provide for current members' needs and accommodate membership growth.

Administration conducted a desktop assessment of the current facility provision at QMSLSC. The assessment included a comparison between current provision and the recommended available spaces as detailed in the adopted Northern Coastal Growth Corridor Community Facilities Plan (CFP).

The review identified that QMSLSC has access to all required facilities specified in the CFP, whether the access be through the leased area or the adjacent QMCC.

The current facility was built in 2005 and there are no funds listed in the City's Long Term Financial Plan (**LTFP**) for the provision of any works relating to QMSLSC (including a full needs assessment). It is recognised that there are several competing priorities in the coming years and at this stage any upgrades to the facility would be a lower priority given QMSLSC has a facility, where several other current and future growth area stakeholders do not.

Based on the available information, the size of the facility, in its current form, and the number of rooms provided, the current facility can be considered sufficient for a regional surf life saving club.

The City is intending to progress with a needs assessment and master planning process for the new Alkimos Surf Life Saving Club facility in 2024/25, noting that this schedule is guided by anticipated land availability timeframes. The needs assessment and master planning process may provide guidance for future QMSLSC needs and consider solutions to some of the issues experienced by QMSLSC.

The CFP does not evaluate the potential impact on QMSLSC with a new facility at Alkimos.

Administration notes that the City's support for QMSLSC currently includes:

- an annual contribution of \$40,000, provided to QMSLSC for its surf lifesaving services;
- a lease of the main club area on the ground floor of the facility, subject to the payment of a maintenance fee of \$ 2,909.70 plus GST (for the year commencing 7 October 2022), which provides for the City's completion of scheduled maintenance to key building services (in accordance with the Leasing Policy); and
- related leased areas (under the same lease document) of an upper floor office room and an external ground lease area (for placement of a sea container used by QMSLSC), in both cases on a peppercorn basis.

QMSLSC's lease of the ground floor in the facility, the upper floor office and the external ground lease area expires on 6 October 2026, however, there is one 5-year option available to the club. If exercised, this would take the lease through to 6 October 2031.

Site history

Administration has investigated the history of Lot 211 and how it came to be in the City's freehold ownership. The background to the land ownership has been a point of speculation amongst the community and during prior input from Council Members.

Landgate searches have identified a 1961 transfer to the then Shire of Wanneroo, which referred to the reason for the transfer as being '*in order to give effect to and for the purpose of the approval of the plan of subdivision (Plan 7318)*' (**Attachment 12** refers).

Following consultation with DPLH, Administration obtained access to the State's Town Planning Board minutes dated 18 July 1961 from the State Records Office in the hope that the subdivision approval expressed a condition requiring the transfer of the land. Unfortunately,

the Town Planning Board minutes did not show any mention of the Site and the reason for the transfer.

Administration also obtained a copy of the will and probate grant relating to the former owner (John Wilberforce Clarkson). Mr Clarkson's will and probate did not provide any indication of the purpose for which Lot 211 was transferred to the City (**Attachment 13** refers).

Finally, Administration conducted State Records Office searches of Shire of Wanneroo minutes during the early 1960s, at the time when Lot 211 was transferred to the City. These searches did not identify any clear reason or stipulation for the transfer.

Administration considers that the investigation options have been exhausted in searching for documentation to indicate the purpose for which Lot 211 was transferred to the City.

Road reserve

Lot 211 is bisected by an unconstructed, gazetted public road reserve, of a width of 20m and a total area of 0.67ha, passing through cleared and vegetated areas. The road reserve is Crown land, under the City's care, control and management. There is no intention to construct the road, with the road reserve being historical only.

Council, at its Ordinary Council Meeting of 13 July 2021 (CS03-07/21) resolved to support the closure of the unconstructed road reserve which bisected Lot 211, subject to public consultation on the road closure.

The proposed closure of the road reserve was advertised in accordance with the requirements of the Act and the *Land Administration Regulations 1998 (WA)* for a combined period of 35 days, closing 8 October 2021.

82 objections were received from the community. It is noted that a large portion of the submissions had been prompted by assertions on social media that the advertising of the closure related to an approved development proposal on the Site. This was not the case, as Council had not even identified a preferred EOI submitter at that time. Responses to all 82 objections were provided where applicable by Administration.

The matter has been under review while the community consultation process was being finalised. Administration feel that enough information has been gathered as part of the engagement process for Council to further consider this matter.

The community has expressed a desire to retain the bushland areas located within the Site, and there is an opportunity for Council to consider the closure of the road reserve to help accommodate further protection of the bush values present at the site.

Administration recommends proceeding with the road closure and to renew discussions with DLPH regarding this process. It is anticipated that a portion of the road reserve (the majority) will be included in a Crown land parcel dedicated as conservation, with a smaller portion potentially forming part of a freehold land parcel comprising the balance of Lot 211.

Public Open Space

Public open space (**POS**) is land set aside for the purpose of public enjoyment, active and passive recreation, and protection of environmental assets.

There are two types of Public Open Space Reserves:

- Regional Open Space: These are regionally significant areas of open space which accommodate both active and passive recreation, including major playing fields and conservation features including Foreshore Reserves.
- Local Open Space: These are local areas of open space which accommodate both active and passive recreation and include district parks, neighbourhood parks, local parks, special purpose parks, playing fields, natural vegetation conservation and community purpose sites.

Development Control Policy 5.3 ('Use of land reserved for parks and recreation and regional open space') establishes the WAPC's position for the use of land zoned for parks and recreation and regional open space under the MRS:

- Passive recreation;
- Active sporting pursuits;
- Cultural or community activities;
- Activities promoting community education of the environment; and/or
- Uses that are compatible with and or support the amenity of the reservation (i.e. café, restaurant) where specific facilities for such purposes have been approved by the WAPC.

As stated above in the current report, Lot 211 (including the Site) is zoned as a 'Regional Reserve – Parks & Recreation' (Regional Open Space) in the MRS. This area includes other leased commercial businesses such as Portofinos, Sea Spice and the QMSLSC which have been considered as consistent with the purposes of the reserve by the City and the WAPC.

Similar to the established commercial operations on Lot 211, Administration also considers that the Proposal is ancillary to and compatible with the purpose of the reserve and is likely to enhance the public access to and enjoyment of the reserve.

The City received comments from residents during the consultation period which raised concerns with the loss of land set aside for POS in the locality as a result of the development progressing. As the Proposal is considered to be consistent with the purposes of the reserve, it is advised that the locality will not be losing a reserve as a result of the Proposal.

Notwithstanding, Administration undertook a desktop review of the provision of POS in the locality to understand if the use of the subject site would result in an unacceptable reduction in areas set aside for recreational opportunities for residents.

- As per the requirements outlined in *State Planning Policy - Liveable Neighbourhoods*, new suburban developments must allocate approximately 8 - 10% of the area as Local Open Space. This calculation does not include Regional Open Space within the 8 - 10% allocation.
- The desktop review of the locality demonstrates that Quinns Rock comprises approximately 9% Local Open Space and 9.4% Regional Open Space.
- Mindarie comprises approximately 7% Local Open Space and 42% Regional Open Space.

Based on the above information, Administration considers that the Proposal on the Site will not lead to a shortage of recreational opportunities for the residents as the development is consistent with the purpose of the reserve. In addition, there is sufficient Local and Regional

POS available for passive and recreational activities and access to natural assets in the locality.

Community petition

At the Ordinary Council Meeting on 12 June 2023, Council received a petition which reads as follows:

“We the undersigned, do formally request council’s consideration regarding the former Quinns Rocks Caravan Park redevelopment to cease any further discussions with Heritage WA Investments and fully investigate the feasibility and costs to develop the former Quinns Rocks Caravan Park site (central-west portion of Lot 211 Quinns Road, Mindarie) for active community use. Including parkland, outdoor activity spaces, barbeques, sheltered areas, playground, food and beverage / light retail options, increased parking facilities, suitable beach access, additional public shower and toilet facilities. This will allow the last remaining foreshore reserve in the Quinns Rocks and Mindarie area to be enjoyed by all residents, rate payers and visitors to the area.”

The petition will be responded to at a future Ordinary Council Meeting in accordance with the City’s usual processes.

As a preliminary comment on the petition, Administration notes that the substance of the petition (including matters such as the feasibility of an alternative development scenario and the availability of POS) have been addressed in the current report, and the petition should not delay Council in making a decision on the current item.

Consultation

Community engagement

Information on the community engagement process which occurred between December 2022 and March 2023 is provided in the Detail section of this report, with further detail provided in **Attachments 5 and 6**.

The extent of engagement was broader than would typically be undertaken by the City, such as for other recent projects (including for the Alkimos Aquatic & Recreation Centre during 2022). This was a reflection of Council’s concern in July 2022 that further engagement occurs to consider the community’s perspectives on the Site, including for the Proposal and potential alternative uses.

The engagement report and summary document were released in late May 2023, to provide an opportunity for the community to consider the findings in advance of a Council meeting.

Due to the sustained community interest in the Site and the high level of participation in the engagement process, the current report is being provided to a Special Council Meeting. This is not usual practice for a project of this type (particularly in the context of a potential lease of City owned or managed land), but is considered appropriate for the current stage of the project.

Prior (historical) community and stakeholder consultation

Several prior community and stakeholder consultation and engagement processes have occurred in regard to the Site prior to the current engagement process.

In the period following the closure and demolition of the caravan park, Administration investigated the potential for redevelopment of the Site in accordance with Council’s resolution

in November 2012. Enquiries included a review of the condition of the site and consultation with DPLH.

The Working Group was established in 2015 to support and inform the investigations arising from Council's resolution in November 2012.

The City's Action Plan was adopted in 2016 reinforced the potential for redevelopment. The Action Plan identified the need for market research for potential tourism park opportunities at the Site.

To support the evaluation of the opportunities for the site, the City engaged a consultant (**Pracsys**) in 2017 to prepare a three stage Business Case to assess the feasibility of redeveloping the site.

The Business Case was informed by community and industry engagement, progressed between late 2018 and early 2020. This included:

- Community workshops in late 2018;
- Industry consultation during mid-2019; and
- A survey seeking broad community and business input on values and preferences for tourist parks, led by the themes arising from the workshops.

Attendance at the workshops was predominantly by community members living in close proximity to Lot 211. Responses noted the environmental value of the site and opposed potential expansion.

The workshops were followed by the community survey in late 2019, to provide a broader opportunity for participation, by local residents and business, the wider City of Wanneroo community and broader Perth. The survey was conducted between late November 2019 and mid-February 2020.

The outcomes of the survey were reported to Council in September 2020 (see Attachments 4 and 5 to CS03-09/20).

The Quinns Rocks Caravan Park Re-Development Community Advisory Group met during early/mid-2021 to inform the preparation of the EOI documentation.

Parking study

The Parking Study was conducted to identify parking patterns and occupancy rates at Lot 211 between December 2022 and January 2023 during peak summer usage.

Findings and recommendations associated with this study are provided in the Detail section of this report. The full study is provided in **Attachment 11**.

Key stakeholders

During the first phase of the engagement process, Administration and Viv Warren engaged with key stakeholders including, surrounding business, residents, QMSLSC and tourism industry experts to gain their feedback on the Proposal.

A high-level summary of these discussions is provided below (with more detailed information provided in **Attachment 5**):

- Destination Perth: Feedback received was positive, indicating that from a tourism perspective, the Proposal would enhance the Perth region's accommodation offerings as part of the Sunset Coast, which currently lacks high-quality, specialized lodging options for the High Value Traveller. Currently, there is no comparable accommodation option in the mainland Perth region.
- Caravan Industry Association (WA): Feedback provided on the Proposal was positive, outlining the potential for an iconic tourism venue that would be successful.
- Discussions with nearby hospitality businesses: Feedback on the Proposal initially flagged concerns around competition. However, upon further consideration, Administration noted a level of support for an increase in possible tourists to the area.
- QMSLSC: Direct feedback from staff associated with the QMSLSC included concerns regarding parking, the potential future expansion of the QMSLSC and the Proposal not being compatible with existing land uses.

QMSLSC members and other supporters of QMSLSC have been highly involved in the community engagement process, including in the Open Sample survey.

Comment

Recommended actions

The engagement process has shown a diversity of opinions with some being strongly felt and long standing. In deciding how to proceed, Council faces a challenging decision, which will need to consider the interests of the community and stakeholders and ensure that the final decision aligns with the overall goals and values of the community.

The range of opinions provided during the engagement process means that Council needs to consider and balance those views in making its decision on the current stage of the project (noting also that further stages are required and this is not a 'final' decision).

Weighing against the challenging decision faced by Council, and having regard to the engagement process overall, including the market research sample survey collected by Thinkfield and the open sample survey, Administration considers that:

- many of the concerns raised in the engagement process can be mitigated or addressed in the delivery of the proposed concept, such as through provisions in the lease and in operating arrangements by the Proponent; and
- there is a level of support for the Proposal and potential benefits for the City and the community.

Further, in progressing to a recommendation in this report, Administration notes that the decision is not necessarily 'binary', where proceeding with the concept proposal means overlooking the views of those opposed within the local community. Rather, the Proposal offers a number of benefits, and community feedback and concerns can largely be mitigated or addressed in the implementation of the Proposal.

Community access, aspirations and amenity can occur within a leased site (as is proposed for the concept). This is not unusual, with commercial lessees often hosting community events or providing parts of their premises (such as open areas or toilets) for public access within trading hours. Engagement with the local community is often fundamental to the viability of a lessee's business. The Proponent has shown every indication that it will embrace the local area.

The Proposal is also time-limited (as a lease) and so would not permanently exclude Lot 211 being available for other uses, such as the future expansion of the QMSLSC once the proposed lease term is complete.

Accordingly, Administration recommends the following:

- proceeding with lease negotiations with the Proponent and requesting the Proponent to prepare a development application for the Proposal. The City would be proactive in its lease negotiations to enhance community amenity and access to the leased site;
- providing a further report to Council once the lease negotiations have reached an 'in principle' agreement stage, after the advertising of the local public notice required under section 3.58 of the Act has been completed; and
- in parallel with the above actions, the City will also:
 - a) further to item 2b) of resolution CS03-09/20 and item 9 of resolution CS03-07/22, prepare a plan of subdivision to excise bushland areas from Lot 211 (with the excised area to be subject to land survey) and vest that land in the State as Crown land under a management order to the City for the purpose of 'Conservation';
 - b) proceed with a parking feasibility study in relation to constructing additional parking in the location of the City's drainage sump in Lot 211 Quinns Road, Mindarie;
 - c) continue to work with QMSLSC regarding the Club's current and future needs; and
 - d) commence the preparation of a 'Sense of Place Statement' (**Place Statement**) to capture the feedback provided by the community in Quinns Rocks and Mindarie and document the uniqueness of the area.

The recommended action above to progress further with the Proposal would maintain the historical use of the Site (at least since the 1960s) for accommodation purposes. The Site had previously been a traditional caravan park, and this may have been seen as a more likely development scenario when the former caravan park was decommissioned. However, the EOI process (which had been weighted against expansion into the bushland, in recognition of community concerns) highlighted that a traditional caravan park was not a feasible option. Instead, a glamping development provides a more viable and contemporary option to provide accommodation, with associated tourism and economic benefits.

In requesting the Proponent to proceed with a development application, Administration acknowledges that there are costs for the Proponent associated with the application (including consultancy reports which would be needed to support the submission to the WAPC). However, a development approval would provide greater certainty regarding the final design and content for the development of the Site.

In the case of the proposed subdivision noted in sub-paragraph a) above, the excision would be on the basis that the balance of the land not vested in the Crown (i.e. including the Site and leased areas) would be retained by the City in freehold. Administration would intend that the plan of subdivision is prepared following the status of the Proponent's lease being finalised, as this would enable consideration of the final development footprint and the potential status of the road reserve.

The excision of the land and creation of a 'Conservation' reserve would be in addition to practical measures already undertaken by the City, including fencing installation and maintenance, interpretative signage and weed management. In the case of the Place Statement noted in sub-paragraph d) above, the local community values the importance of the

foreshore area and considers it a priority for proper planning and management within the broader Quinns Rocks/Mindarie area. The preparation of a Place Statement for Quinns Rocks/Mindarie would capture and document this community sentiment, alongside information obtained from previous community engagement activities in the area.

The Place Statement would outline the social, environmental, economic and built form characteristics of the area with the aim of identifying the key elements that make Quinns/Mindarie special and using this to protect and advocate for the community's vision for this important place.

The preparation of a Place Statement is a precursor to further place management work that would identify how to best address the priorities identified by the community. This may be a combination of targeted service delivery, planning controls, place activation initiatives or coordinated capital works projects. Accordingly, the Place Statement should not be viewed as a stand-alone action, but rather an initial step in a wider process to recognise the uniqueness of the Quinns/Mindarie area.

Alternative scenario

Conversely, if Council decides to not proceed with the Proposal, there are different community opinions and preferences for the Site. Some of the concerns raised by the community in relation to the Proposal would also apply to an alternative development scenario.

Further community engagement, and likely master planning, would be necessary. Even a concept such as a 'community space' (which had been popular during the community engagement process) would attract debate on issues such as:

- the level of clearing or revegetation;
- infrastructure upgrades, such as lighting and CCTV;
- design and security measures to address anti-social behaviour;
- the location of car parking;
- commercialisation (such the addition of a kiosk, café or food truck space) and the potential impact on nearby businesses, such as if a kiosk operation was more likely to directly compete with Portofinos, Sea Spice and other local cafés than envisaged by the Proposal; and
- how any development would be funded, including the impact on City rates (whether special area rates are required) and whether there would be an impact on other projects (noting there is no funding in the LTFP for the development of a park or community space at the Site).

These considerations may be contentious, which would impact the timeline for any development.

Statutory Compliance

Should Council decide to proceed with the Proposal, the development and ground lease arrangement would be a private treaty negotiation under section 3.58 of the Act.

A local public notice of the proposed disposition will be required to comply with the requirements of section 3.58 of the Act. This would occur once Council has approved a ground lease, in the event that the document is negotiated and agreed 'in principle' by the parties.

The public notice would need to disclose the rent for the ground lease (including any rental incentives) and the comparable market rental value.

The notice would be advertised as required under the Act, which would include newspaper notices and on the City's website. The advertising period is 14 days.

Any future approved development application by the Proponent will require WAPC approval.

Strategic Implications

The proposal aligns with the following objective within the Strategic Community Plan 2021 – 2031:

2 ~ *A City that celebrates rich cultural histories, where people can visit and enjoy unique experiences*

2.3 - *Tourism opportunities and visitor experiences*

Risk Appetite Statement

In pursuit of strategic objective goal 2, we will accept a Medium level of risk. The City accepts this is required to protect priority cultural places, create 'unique' experiences and embrace the cultural diversity of our heritage in a way that is inclusive but challenges convention and historical thinking.

Risk Management Considerations

Risk Title	Risk Rating
ST – G09 Long Term Financial Plan	Low
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Risk Title	Risk Rating
ST – S12 Economic Growth	Medium
Accountability	Action Planning Option
Chief Executive Officer	Manage

Risk Title	Risk Rating
ST – S23 Stakeholder Relationship	Medium
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

Risk Title	Risk Rating
CO-O03 Strategic Land	Medium
Accountability	Action Planning Option
Director Corporate Strategy and Performance	Manage

The above risks relating to the issue contained within this report have been identified and considered within the City's Strategic and Corporate risk registers. Action plans have been developed to manage this risk to support existing management systems.

Policy Implications

Any future proposed agreement for lease and ground lease would be negotiated in accordance with the City's Leasing Policy.

As the Site would be leased as a ground lease over freehold land, rent will be payable by the future lessee.

All development and maintenance would be the responsibility of the Proponent (as lessee).

Financial Implications

Proposal

All future approvals, design, construction, engineering, utility connection, relevant reporting and maintenance for the Site would be the responsibility of the lessee, subject to the lease terms being agreed by the parties and approved by Council.

Rent and other commercial terms have not been fully negotiated, but would be confirmed to Council once lease negotiations are finalised. Rent would also be advertised in the local public notice required by section 3.58 of the Act.

The City anticipates receiving an income from the future development, but this position will not be finalised unless the City progresses in negotiations with a preferred candidate. Accordingly, the financial implications of a proposed lease to the Proponent, including:

- rental income;
- potential rates income; and
- the savings in reduced maintenance and security costs,

would be described in the event Council resolves to proceed with lease negotiations and a final lease proposal is submitted to Council for approval.

Project costs

- Current Community Engagement (Viv Warren): The initial contract amount for Viv Warren Consulting was \$35,400 plus GST.

Over the course of the engagement, additional works were required by Viv Warren Consulting and Thinkfield to conduct extra community drop-in sessions and provide additional expert analysis and report preparation following completion of the survey. The current contracted amount has therefore been increased to \$51,085 plus GST.

The costs are within the scope of the current project budget.

- Consultancy costs during the recent stages of the project (since the Pracsys business process commenced in 2017) include:
 - a) Business Case and EOI preparation (Pracsys) - \$154,165;

- b) Financial due diligence checks and reviews (William Buck Consulting) - \$2,500;
- c) Survey for utility service locations (Terravac) - \$8,084; and
- d) Ancillary community engagement items (post cards and banners) - \$925.

Opportunity cost if the Proposal does not proceed (land value)

The City's Strategic Land Policy and the Leasing Policy confirm that opportunity cost should be considered when leasing/dealing with land.

In particular, the Leasing Policy specifies '*where revenue is not maximised on Freehold Land the opportunity cost of the Lease will need to be acknowledged in the applicable report to Council.*

To provide more information on the value of alternative uses of the Site, Administration engaged Australian Property Consultants to relevant property values (**Attachment 14** refers). This information is commercially sensitive and has been marked confidential.

Opportunity cost if the Proposal does not proceed (development costs)

As part of the recent community survey, participants were asked what their 'preferred use' of the site would be. One of the more common responses to this question was a community park.

Administration's preliminary internal assessment of costs associated with the construction of a community park, is in the region of \$5 million - \$10 million. This range includes a threshold for environmental offset implications, heritage issues and a large contingency.

Potential development costs are currently unbudgeted nor planned. There is no provision in the LTFP.

If Council decides to not proceed with the Proposal, and instead decided to provide a community park on the Site, Council will need to consider:

- the funding source;
- the impact on City rates (whether special area rates are required for example); and
- the impact on other City projects.

Maintenance and operating costs are not included in the above estimate. Even if external funding was secured for an alternative development (and the potential for this would be speculative only), funding would not typically extend to ongoing operational costs for the site, which would need to be borne by ratepayers.

Voting Requirements

Simple Majority

Recommendation

That Council:

1. **ACKNOWLEDGES**, and confirms the City's appreciation for, the significant community response to the recent engagement process in relation to Lot 211 Quinns Road, Mindarie, which included stakeholder and local resident meetings and a survey;
2. **REQUESTS** Administration:
 - a) develops a sense of place statement (as described in the Administration report) for the Quinns Rocks and Mindarie local area;
 - b) prepares a plan of subdivision, to excise bushland areas from Lot 211 Quinns Road, Mindarie (with the excised area to be subject to land survey, to consider the status of the adjacent unconstructed road reserve and to exclude the existing drainage sump referred to in Item 2d)) and vest that land in the State as Crown land under a management order to the City for the purpose of 'Conservation', with the balance of the land not vested in the Crown to be retained by the City in freehold;
 - c) continues to work with the Quinns-Mindarie Surf Life Saving Club (Inc.) in relation to supporting the Club's current and future needs; and
 - d) investigates the feasibility of constructing additional parking in the location of the City's drainage sump in Lot 211 Quinns Road, Mindarie;
3. **APPROVES**, in principle, proceeding with private treaty negotiations (for an agreement for lease and a ground lease, as a disposal under section 3.58 of the *Local Government Act 1995 (WA)*) with Heritage W.A. Investments Pty Ltd (or a company to be established by the directors of that entity) for the development of an ecotourism, café and event space proposal on the footprint of the vacant former Quinns Rocks Caravan Park;
4. **AUTHORISES** the Chief Executive Officer (or a nominee of the Chief Executive Officer) to negotiate terms (including, for the ground lease, conditions to enhance community amenity and access to the leased site), execute all documentation and comply with all applicable legislation as is required to effect Item 3. above, noting that the execution of an agreement for lease and a ground lease remains subject to Item 5. below;
5. **NOTES**, subject to the lease negotiations in Item 4 being finalised and the City publishing a local public notice of the proposed disposal by lease in accordance with section 3.58 of the *Local Government Act 1995 (WA)*, a further report will be submitted to Council after the last day for submissions in response to that local public notice to consider:
 - a) all submissions received in response to the local public notice; and
 - b) whether to proceed with the agreement for lease and ground lease; and

6. **APPROVES** the City signing (in its capacity as freehold landowner of Lot 211 Quinns Road, Mindarie) a development application for the proposal described in Item 3, on the basis that if the development application is approved possession of the site and construction of the development must not occur until Council has resolved to proceed with the agreement for lease and ground lease under Item 5 and the agreement for lease and ground lease have been signed by all parties.

Attachments:

1	Attachment 1 - QRCP Site and Locality	21/255356
2	Attachment 2 - Nearmaps image - Lot 211 Quinns Road, Mindarie - October 2012	22/256766
3	Attachment 3 - Business Case - September 2020	20/371606[v2]
4	Attachment 4 - Expression of Interest Document	22/108788
5	Attachment 5 - Community Engagement Key Findings Report	23/165646[v12]
6	Attachment 6 - Community Engagement Update	23/164622[v5]
7	Attachment 7 - Aerial showing overlay of proposal on map	23/6822
8	Attachment 8 - Concept images (draft)	23/151781
9	Confidential Attachment 9 - Company Structure	Confidential
10	Attachment 10 - Ground Lease Valuation Report - Summary	23/199809
11	Attachment 11 - Quinns Mindarie Coastal Node - Parking Study 2023-23 - Traffic Services	23/89701
12	Attachment 12 - Land Title Information	23/83466
13	Attachment 13 - John Wilberforce Clarkson - Will and Probate	23/137220[v2]
14	Confidential Attachment 14 - Valuations	Confidential

These attachments are confidential and distributed under separate cover to all Council Members.

Attachment 9 - Company Structure	23/151231[v2]
Attachment 14 - Valuations	23/151291

Item 5 Confidential

Nil

Item 6 To Be Tabled

Nil

Item 7 Date of Next Meeting

The next Special Council Meeting has been scheduled for 6:00pm on Tuesday 4 July 2023 to be held at Council Chambers, 1st Floor, Civic Centre, 23 Dundobar Road, Wanneroo.

Item 8 Closure



COUNCIL CHAMBER SEATING DIAGRAM

