

AUBURN CITY COUNCIL

REPORTS TO THE
EXTRAORDINARY MEETING OF COUNCIL
TO BE HELD IN THE COUNCIL CHAMBERS
CIVIC PLACE, 1 SUSAN STREET, AUBURN
ON WEDNESDAY, MARCH 30, 2016
COMMENCING AT 5.00PM

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General Manager's Report

059/16 Disclosure of Interests

C-27-08/03 MB : MW

The provisions of Chapter 14 of the Local Government Act, 1993 regulate the way in which Councillors, Administrators and nominated staff of Council conduct themselves to ensure that there is no conflict between their private interests and their public trust.

The Act prescribes that where a member of Council (or a Committee of Council) has a direct or indirect financial (pecuniary) interest in a matter to be considered at a meeting of the Council (or Committee), that interest and the reasons for declaring such interest must be disclosed as soon as practicable after the start of the meeting.

As members are aware, the provisions of the Local Government Act restrict any member who has declared a pecuniary interest in any matter from participating in the discussions or voting on that matter and further require that the member vacate the Chamber.

Council's Code of Conduct provides that if members have a non-pecuniary conflict of interest, the nature of the conflict must be disclosed. The Code also provides for a number of ways in which a member may manage non pecuniary conflicts of interest.

RECOMMENDATION

That where necessary any person now disclose any interest and the reason for declaring such interest in the matters under consideration by Council at this meeting.

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Executive Manager Planning's
Report

To the Extraordinary Meeting of Council

060/16 Proposed Wentworth Point Library and Community Centre Update

C-37-01/09

GF : MW

LINK TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Operational Plan Code	Relationship to Community Strategic Plan	Relationship to Operational Plan
2f.1	Community assets managed for current and future generations	Plan for new assets and manage existing infrastructure in response to demographic trends

SUMMARY

This report provides a status update on the Wentworth Point Library and Community Centre at 3 Burroway Road, Wentworth Point that includes an update on the development application, update on base building changes, a summary of community consultation on services and the removal of the VPA affectation to an unrelated lot.

RECOMMENDATION

1. ***That Council receive and note this report.***
2. ***That Council endorse the lodgment of the Development Application in accordance with the plans prepared by CK Design International for the new library and community centre at 3 Burroway Road, Wentworth Point and that the application is assessed by an independent town planner and determined by the Auburn Independent Assessment Panel (AIAP).***
3. ***That Council accept the dedication of the new public square in front of the library and confirm that the final dedication will be at the end of the project.***
4. ***That the proposed VPA affectation to the Lot 14 relating to a part basement car park for Block C be removed for the reasons identified in this report and that the General Manager be delegated to sign the relevant documents.***
5. ***That Council confirm that the endorsed base building changes will result in a total amount of \$1,190,000 (excluding GST) based on the Quantity Surveyors report prepared by Altus Page Kirkland dated 16 December 2015 and that this is fully funded from the 2007 Section 94 Contributions Plan – Homebush Bay – Community facilities.***
6. ***That a comprehensive further report shall be prepared for Council's information detailing the outcomes of the community consultation process in the future centres services and programs.***

BACKGROUND

Council entered into a Voluntary Planning Agreement (VPA) on 7 July 2015 in conjunction with Development Application DA-296/2014 for the staged development proposal (**concept**

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plan) including construction of a 25 storey multi unit residential/commercial building (Block B) comprising 450 residential units, 5 commercial/retail units, community/library facility and associated parking including a Voluntary Planning Agreement approved on the 11 December 2014 by the JRPP in relation to land at 3 Burroway Road, Wentworth Point.

The VPA proposed the construction and dedication to Council of a library and community facility (having a total area of 3,200sqm) in conjunction with a residential tower development known as Block B at 3 Burroway Road, Wentworth Point.

The new centre occupies a portion of the ground level and first level of the building with 10 parking spaces provided in the basement. The design also provides an opportunity to use the public square to the north.

Development application DA-296/2014 was approved by the Joint Regional Planning Panel (JRPP) for a staged development proposal (concept plan) including the **detailed plan** construction of the first stage residential tower comprising a 25 storey multi-unit residential/commercial building (Block B) including 461 residential units, 5 commercial/retail units together with the proposed community/library facility and associated parking.

On the 20 May 2015 Council, after an open tender process, awarded to CK Design International for Interior Architectural Design Services for the Wentworth Point Library and Community Centre (Stage 1 and Stage 2) for the lump sum amount of \$345,510.00 (including GST).

On the 6 August 2015 construction of the development and the new library and community centre commenced.

On the 18 November 2015 Council considered the concept design including base building changes and resolved unanimously as follows:

1. *That Council adopt the concept plans prepared by CK Design International for the proposed new library and community centre at 3 Burroway Road, Wentworth Point.*
2. *That Council conduct community consultation on the services and programs the new library and community centre will provide and show the concept design prepared by CK Design International at 3 Burroway Road, Wentworth Point.*
3. *That a further report shall be prepared for Council's information detailing the outcomes of the community consultation process.*
4. *That Council prepares and lodges a Development Application in accordance with the concept plans prepared by CK Design International for the new library and community centre at 3 Burroway Road, Wentworth Point.*
5. *That Council brings forward the provision of new library and community centre at 3 Burroway Road, Wentworth Point in its 2015-2016 Operational Plan and 2014-2018 Delivery Plan to include the base building modifications, architectural design, library resources and software and confirms that these costs will be funded by Section 94 contributions.*

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REPORT

This report provides a status update on the Wentworth Point Library and Community Centre at 3 Burroway Road, Wentworth Point in relation to the development application, base building changes, community consultation on services and the removal of the VPA affectation to a unrelated lot.

Development Application

The development application DA-44/2016 for the fitout and use of the area allocated for the library and community centre was lodged on the 23 February 2016.

The development application was placed on public exhibition from the 2 March 2016 to the 17 March 2016.

Council has engaged an independent town planner to undertake the assessment and the application will be reported to the Auburn Independent Assessment Panel (AIAP) for determination after the detailed planning assessment has concluded.

Community Engagement

From November 2015 to January 2016, Council provided a range of opportunities for community feedback in relation to the services for the new Wentworth Point Library and Community Centre including types of programs, activities and services that will be required in order to meet the Wentworth Point community's needs and priorities.

Council undertook the following activities as part of the community engagement program:

Summary Table – Community Participation in Community Engagement Program			
Date and Time	Activity Type	Location	No. of Respondents
Saturday 21 November 2015, 10am-11am	Community Consultation Stall	Newington Marketplace	9 completed surveys; additional community members informed.
Saturday 21 November 2015, 11.30am-12.30pm	Community Consultation Stall	Wentworth Point Piazza	10 completed surveys; additional community members informed.
Monday 23 November 2015, 6pm-7.30pm	Community Consultation Workshop	Pulse Function Centre, Wentworth Point	16 participants
Tuesday 24 November 2015, 6pm-7.30pm	Community Consultation Workshop	Pulse Function Centre, Wentworth Point	12 participants
Thursday 26 November 2015, 4pm-5pm	Community Consultation Stall	Newington Community Centre	5 completed surveys; additional community members informed.
Wednesday 9 December 2015, 10.30am-11.30am	Community Consultation Stall	Wentworth Point Piazza	6 completed surveys; additional community members informed.

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Summary Table – Community Participation in Community Engagement Program			
Date and Time	Activity Type	Location	No. of Respondents
Monday 9 November 2015 to Friday 15 January 2016	Online Survey	Concept plans and an online survey was made available at: www.auburn.nsw.gov.au Concept plans and surveys were also made available at Council libraries, Newington Community Centre and the Customer Service Centre.	20 completed surveys.
TOTAL			78

Overall community feedback was overwhelmingly positive throughout the community engagement program with many community members highlighting the need for the new facility and excited by its potential.

A report detailing the findings of the community engagement program is being prepared, and will assist to inform the development of detailed designs as well as future programming, activities and service provision at the site. It should be noted that implementation of the findings, including the finalisation of detailed designs and establishing an operational model and staffing for the site is pending the announcement of Council mergers.

Base Building changes

Council at the meeting of 18 November 2015 adopted a number of changes proposed by architects CK Design International to the base building to facilitate access and functionality of the library and community facility. The changes endorsed by Council to the base building design are as follows:

1. Library façade, lift and awning

New glass external lift from basement, ground and first floor, bi fold doors to the façade and associated structural steel supporting frames, decorative fins and creation of awning to entrance.

This proposed lift design provides necessary after hours access to the community centre on the first floor that is accessible and functional. The façade changes enable the public square to be used with the library and any events planned for the centre. All of the proposed changes have been reviewed by the original building architect and will not affect the original building high quality finishes and architectural design.

2. Library cold shell internal changes

Structure modifications including additional stair voids, including transfer beams to column supports, additional folds in slabs

These internal design changes are to re-route services and create additional stair voids to facilitate the final design.

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3. Public Forecourt

External Pod type decking and planters, external shade sails

These are proposed external changes to the public square. The new design proposed an alternative design that better suits the function of the new library and community centre. Billbergia have advised that they will dedicate ownership of the public square to Council. The date of release of the ownership of the public square will be at the end of the project.

The proposed base building changes to the Wentworth Point Community Facility and Library has been agreed to by both parties being Auburn City Council and Fairmead Business Pty Ltd and is consistent with the Voluntary Planning Agreement between the parties

As the construction had commenced and there was a limited opportunity to adopt the proposed building changes and Council needed to expedite the decision process to facilitate the proposed changes to the main building.

The initial costings for the proposed works were based on a contractor price dated 22 October 2015 and a summary of these reported to Council on the 18 November 2015 as follows:

1. Library facade, lift and awning \$650,000 + GST
2. Library internal structure and layout modifications \$100,000 + GST
3. External public forecourt \$250,000 + GST (based off sketch plans only at this stage)

Council resolved to adopt the proposed changes based on this initial information and staff requested that these figures to be checked by a Quantity Surveyor.

It must be noted that the developer provided a summary table that did not include the preliminaries and overheads of \$190,000 however this was documented in the detailed breakdown. The overall project cost for the base building changes including design and project management was a total of \$1,190,000.

On the 16 December 2015 Altus Page Kirkland Quantity Surveyors advised that they calculated the additional works as \$1,130,000 and further advised that the amount of \$1,190,000 was acceptable given the close proximity to the assessed value. (**see Attachment 1**).

The revised table for the base building changes is as follows:

1. Library facade, lift and awning \$650,000 + GST
2. Library internal structure and layout modifications \$100,000 + GST
3. External public forecourt** \$250,000 + GST (detailed plan not developed)
4. Preliminaries \$190,000+GST
TOTAL \$1,190,000 + GST

** The external public forecourt amount is an estimate and may be subject to further change that will need to be reported separately. The final design will be the subject for the new Council entity post amalgamation.

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The developer has submitted a schedule for the base building changes detailing the expected drawdown of the funds as follows:

- March 2016 \$238,000 excl GST
- August 2016 \$550,000 excl GST
- October 2016 \$402,000 excl GST
- Total \$1,190,000 excl. GST**

Financial Implications

The Wentworth Point Community Facility and Library is fully funded by Section 94 contributions specifically the 2007 Section 94 Contributions Plan – Homebush Bay – Community facilities and these funds have been approved by Council on the 18 November 2015 to be allocated for project.

The project costs to date are as follows:

Item	Cost
Architectural –CK Design includes Stage 1 – Design, Development and Documentation for Development Application, Stage 2 – Documentation for Construction Certification and Tender, Stage 3 – Construction Phase Services	\$345,510.00 (inc. GST).
Library Resources	\$898,129.60 (excl. GST)
Base building changes	\$1,190,000 (excl. GST)

Timing of the Project

An indicative timetable for the project has been prepared for the delivery timeframe to 2016-2017 however given that the site may be the subject of an amalgamation with Parramatta City Council the timeframes have been delayed till the outcome is decided.

The construction timeframe will allow some time for the new Council entity to review the project and make changes if required to the fitout and/or the courtyard. The Wentworth Point community can be reassured that the facility is fully funded and capable to be delivered on time.

VPA Restriction on a Road Lot

The site of the Wentworth Point Library and Community Centre was known as Lot 8. The VPA notation was placed on this lot to ensure the delivery of the community facility.

The developer has subdivided this Lot 8 into three new lots being Lot 13, 14 and 15 (**see Attachment 2**). Details of these lots as follows:

- The Wentworth Point Library and Community Centre and residential flat building (Block B) is located in new Lot 13.
- A portion of the road serving both developments (Block B and C) is Lot 15.
- The basement for parking underneath the service road (Lot 15) is Lot 14.

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This newly created parking lot has been amalgamated with the adjoining development (Block C) also known as Lot 14. The VPA notation is only on Part of the Lot 14 which is basement parking from the original Lot 8.

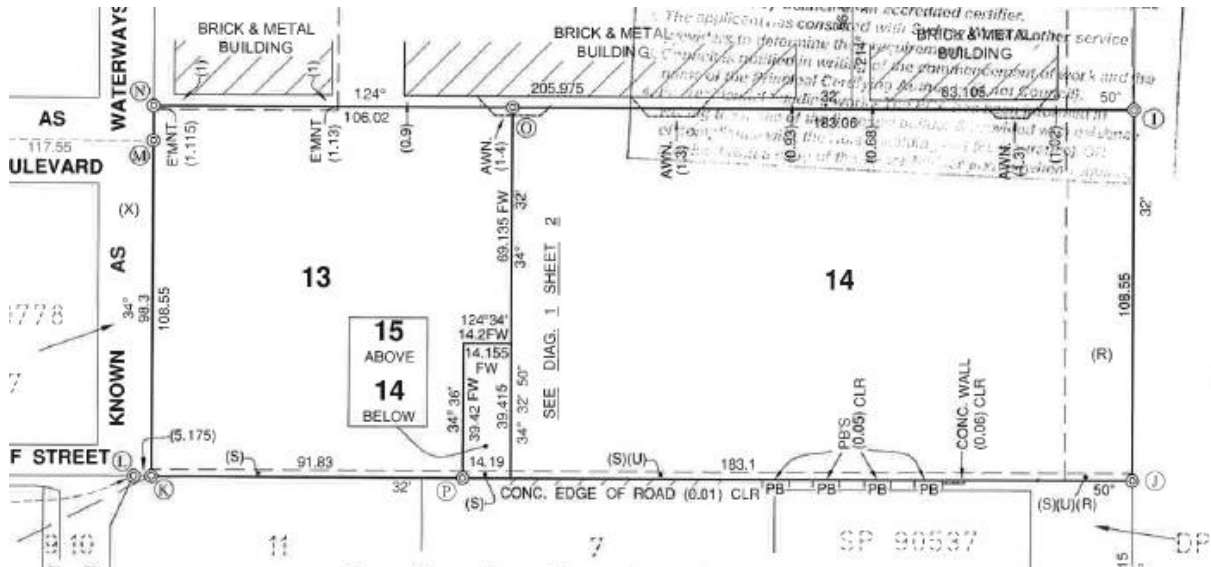


Figure 1: Lots 14 and 15 adjoining Lot 13 are the subject of this report.

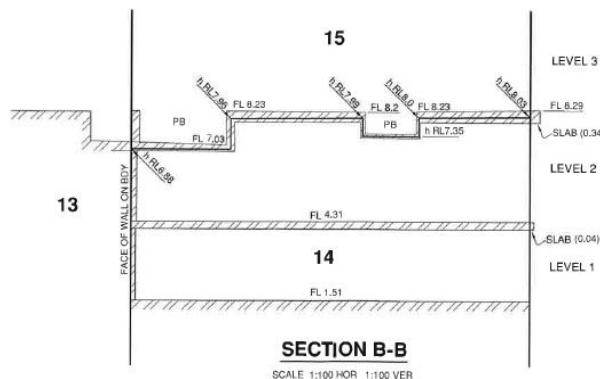


Figure 2: A cross section of Lots 14 and 15 that are in stratum. Lot 15 is the road and Lot 14 is the basement for adjoining development.

The applicant has requested to remove the VPA restriction from Lot 14 relating to the basement lot underneath the service road. The initial request to remove the VPA restriction from Lot 15 the service road was withdrawn.

Initial legal advice was obtained and identified that the VPA restriction should potentially remain on all allotments being Lot 14 and 15. This was to ensure that Council has sufficient security in case of default.

Subsequent advice was provided to Council indicating that Council's agreement to this request would reduce Council's security for timely delivery of the new Community Facilities

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however Council's solicitors were not in a position to comment on the financial viability of the developer and their capacity to complete the development or delivery of Council facilities.

The advice further indicated that *"If Council, following its review of the documentation provided by the Developer, is satisfied as to financial capacity to complete the development, this may give some comfort in respect to the request to release the registration of the VPA over the new Lot 14."*

The developer advised that they wish to provide further information in relation to the matter as follows:

VPA

- *The VPA secures the obligations for Billbergia to deliver a library and community centre for council and community on within the development of what we call Block B.*
- *The VPA has been registered over Lot 8 which was established for the development of Block B.*
- *The VPA addresses the developer's ability to obtain occupation certificates and sell final lots (apart from retail lots and lots above level 16) prior to completion and handover of the L&CC without the need for further security.*
- *Lot 8 includes the DA for the development of Block B but also includes a small portion of underground basement car park that will comprise the development of Block C on the adjacent lot 9.*
- *The draft strata plans that were attached to the VPA, so to define the extent of the Block B development, specifically exclude the portion of basement that was to comprise part of the adjoining development site.*
- *At the time that the VPA was registered, we could not subdivide out the position of subterranean land as that would have required a 3 dimensional subdivision and the structure did not then support that survey.*
- *This portion of subterranean land is clearly included within the Block C development approval.*
- *Now that we are have been able (due to advanced progress of the construction of Block B) to undertake a 3 dimensional survey, now seek to register a subdivision to extract that portion of land from Block B, Lot 8 or future Lot 13, and to amalgamate it with Block C, Lot 9 or future Lot 14.*
- *The portion of land has absolutely no bearing to Block B and carries no end value or saleable portion of Block B. The intention of the VPA is to secure the delivery of the L&CC and this plans included within the VPA clearly exclude this superfluous portion of land.*

Commercial & Risk considerations

- *Our financiers over the Block B development have agreed to release the portion of land from their securities and have signed the required security releases – these include 3 banks: ANZ, Bankwest and ING as well as Pramerica (an international fund). Each of the financier's legal representatives have had regard to our request and the lack of impact on their securities of releasing their land*
- *The value of Block B is inherent with the apartments and retail lots and consequently the portion of land does not carry any land value at all and is not proposed to be part of the final community development.*
- *Construction of Block B is well advanced (within program and budget) and the structural shell of the L&CC has essentially been completed, although due to ongoing construction of the tower cannot yet be handed to council.*
- *We are at the stage of closing finance for Block C but cannot do that until the portion of land has been amalgamated with the Block C land. Any delay to the registration of the subdivision*

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of Block B/C will have commercial consequences for the financing and progress of Block C and during the current delays banks have now reverted to greater equity requirements from the Group – we are concerned that further delays will aggravate this matter.

- *We, along with AMP Capital, are also at the stage of registering the strata plan to effect settlements of Block G however, due to the sequencing of the overall community titles and Lot numbering, the subdivision of Block B & C has to first take place before the of Block G. Any delays to the registration of the subdivision of Block B/C subdivision has commercial consequences for Block G.*

In consideration of the information provided by the developer and following a review of the documentation provided by the developer through the Council's solicitors it is recommended that Council consider removing the VPA restriction from Lot 14 on the following grounds:

- Billbergia has demonstrated it is in strong financial position to complete the project.
- The cold shell has been physically completed.
- Council still has the VPA restriction on Lot 15 the road lot.
- The Part Lot 14 basement parking lot does not form part of Block B. This is confirmed in the development consent DA 296/2014 and the attached plans in the VPA.

Therefore it is considered that the removal of the VPA restriction on Lot 14 (basement parking lot) is considered acceptable and Council can be reasonably assured that:

- the library will be delivered as required in accordance with the VPA.
- the VPA will remain over the development parcel as approved by Council
- No amendments to the VPA are required on the basis that the document does not change, just a technical affectation in terms of the allotments.

Conclusion

This report provided a status update on the new Wentworth Point Library and Community Centre with the finalisation of detailed designs and establishing an operational model and staffing for the site is pending the announcement of Council mergers.

The projects development application has been lodged, the community have been consulted regarding the programs and activities they require in the new centre, the base building additional works are under construction, the shell of the Library is now complete and lot 14 belonging to an adjoining development (Block C) is recommended to have the VPA affectation removed.

ATTACHMENTS

1. Altus Page Kirkland Quantity Surveyor Review and Builder Cost estimate - T024109/2016
2. Plan of subdivision new lots 13, 14, 15 - T024585/2016

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Proposed Wentworth Point Library and Community Centre Update (cont'd)

ATTACHMENT 1



Street Smart. World Wise.

Project:	Wentworth Point Block B - ZEN	Job No.:	100624
Location:	Wentworth Point	Date Issued:	16 December 2015
To	CC	Discipline	Company
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Development Manager	Billbergia Group
		Attention	Fax no.
		Saul Moran	saul.moran@billbergia.com.au

Variation No: 02	Claimed Amount: \$1,190,000.00 (excl. GST)
Description: Library Façade & Forecourt Upgrade	
Contractor: Billbergia (NSW) Pty Ltd	

COMMENTS/ ASSESSMENT:

We have assessed the claim from Billbergia (NSW) Pty Ltd and comment as follows:

Item	Detail	Billbergia Cost	APK Assessment value	Comments
1	Library Façade & Forecourt Upgrade	\$1,071,000.00	\$1,190,000.00	APK has undertaken a separate, independent estimate of cost (based on the information available) equating to a value of \$1,130,000. We understand the Principal is satisfied with the submitted amount, given the close proximity to the submission value and given a lump sum offer is being proposed.
2	Library Internal Structure & Layout Modifications	\$119,000.00	Included above	Included in overall assessment value
Total		\$1,190,000.00	\$1,190,000.00	
Contractor Profit & Overheads		Included	Included	
Assessment Amount		\$1,190,000.00	\$1,190,000.00	

Based on the above, we recommend the value of the above variation to be **\$1,190,000.00 (excl. GST)**.

ASSESSED AMOUNT:	\$1,190,000.00 (excl. GST)
Assessed by: Rachel Miu	Reviewed by: Jonathan Marriott

N.B. Assessed amount indicated above is APK's opinion of cost associated. Confirmation and approval of the above variation is subject to the Superintendent / Architect's Variation Order.

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ATTACHMENT 1

QUOTATION

22/10/2015

WWP Library Shell Upgrade



Job: <u>WWP Block B Zen Apartments</u> Client: <u>Auburn Council</u>

Item No.	Item Description	Quantity	Unit	Rate	Amount
1	<u>Library Upgrade</u>				
	Library internal structure and layout modifications				
1.1	Structure modifications including FRP additional stair voids, including transfer beams to column supports, additional folds in slabs	item	1	90,000	90,000
1.2	Engineering Fees	item	1	10,000	10,000
	SUBTOTAL				100,000
2	Library facade, lift and awning				
2.1	Lift Shaft from B2 to Level 1 - FRP Concrete	m2	59.5	500	29,750
2.2	Lift Shaft from level 1 to Level 3, plus roof - Steel Structure/ Glass / Fins	m2	64.26	3,000	192,780
2.3	Lift	item	1	120,000	120,000
2.3	Bifold door set 1	m2	54	1,500	81,000
2.4	credit for curtain wall (labour only as made and delivered to site)	m2	-54	150	-8,100
2.5	modification to curtain wall	item	1	5,200	5,200
2.6	e/o door for after hours	item	1	1,500	1,500
2.7	E/O for bifold door set 2	m2	18.9	1,000	18,900
2.8	E/O for bifold door set 3	m2	23.4	1,000	23,400
2.9	E/O for bracket curtain wall system to Lv2 to Lv3	m3	99	350	34,650
2.10	Additional Structural steel support framing	item	1	85,000	85,000
2.11	Decorative fins and steel columns	m	102	150	15,300
2.12	Architectural fees	item	1	45,000	45,000
2.13	Façade Consultant fees	item	1	5,620	5,620
	SUBTOTAL				650,000
3	External public forecourt				
3.1	External Pod type decking and planters	item	2	75,000	150,000
3.2	External Shade sails	item	2	20,000	40,000
3.3	Landscape architect fees	item	1	6,200	6,200
3.4	Engineering Fees	item	1	3,000	3,000
3.5	Architectural fees	item	1	45,000	45,000
3.6	Façade Consultant fees	item	1	5,800	5,800
	SUBTOTAL				250,000
4	Preliminaries and Margin		19%		190,000
5	Development Fees				excluded
6	TOTAL				1,190,000

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ATTACHMENT 2

