

STATEWIDE PUBLIC NOTICE

DISPOSAL OF 20 MONTREAL STREET (THE FREMANTLE PUBLIC GOLF COURSE)

The City of Fremantle hereby gives Statewide public notice that it proposes to undertake a major land transaction in accordance with Section 3.59 of the *Local Government Act 1995*.

The City proposes to dispose of Portion of Reserve 6638, Lot 555 on Deposited Plan 413935, Crown Land Title Volume LR3170 Folio 948 and otherwise known as 20 Montreal Street, Fremantle WA 6160.

A copy of the business plan containing an overall assessment of the major land transaction, may be inspected at the Walyalup Civic Centre, 151 High Street, Fremantle.

A copy of the business plan is also available on the City's website: www.fremantle.wa.gov.au/publicnotices

Submissions about the proposed transaction may be made:

By Mail
PO Box 807
Fremantle WA 6959

In Person
Walyalup Civic Centre
151 High Street
Fremantle WA 6160

By Email
info@fremantle.wa.gov.au
info@fremantle.wa.gov.au

Submissions close: 5pm Friday, 19 January 2024.

The City will consider all submissions made in deciding whether or not to proceed with this major land transaction.

Glen Dougall Chief Executive Officer



Business Plan

Proposal to enter into major land transaction through the disposal of land located at 20 Montreal Street Fremantle known as the "Fremantle Public Golf Course"

City of Fremantle November 2023

fremantle.wa.gov.au



Introduction and Background

Introduction

Under the terms of the Local Government Act 1995, a local government is required to develop and advertise a business plan if a proposed disposal of property is considered a major land transaction under the act.

A disposal of property is considered as a major land transaction if the consideration under the transaction, together with anything done by the local government for achieving the purpose of the transaction, is more than either —

- i. \$10 000 000; or
- ii. 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year, which in the case of the City and the expenditure from its municipal fund in FY21-22, is an amount of \$8,119,514.

Before entering into a Major Land Transaction the Council must first prepare a Business Plan, advertise the availability of the Business Plan for comment and then consider any submissions received in relation to the proposed transaction.



Background

In November 2020, Main Roads WA commenced work on the conversion of the intersection of High Street and Stirling Highway into a roundabout. The new roundabout is a key feature of the Main Roads' \$118 million High Street Upgrade project, which was designed to reduce traffic congestion and improve road safety.

As a result of the works, Main Roads WA acquired a portion of the land located upon the Fremantle Public Golf Course, requiring the existing course to be redesigned over a smaller footprint.

As part of the High Street project, Main Roads has funded a program of accommodation works including the reconfiguration of the golf course and, in the next phase, the construction of a replacement club house and community centre.

The Fremantle Public Golf Course is a major asset of the City of Fremantle and provides a golfing experience for locals and visitors alike.

The redesigned 9-hole, par 34 layout includes three completely new holes – including a par 5 hole – and new bunkers, tees, and greens. The revamped course also features an upgraded irrigation system, new cart paths and course furniture, as well as a new practice chipping and putting green.

The course is currently being maintained and managed on an interim basis by the neighbouring Royal Fremantle Golf Club.

An expression of interest (EOI) process was commenced in February 2023 seeking applications from capable and experienced golf course operators for the management and maintenance of the Fremantle Public Golf Course.

In accordance with the City's Leasing of City Property in a competitive manner policy, unless policy exemptions apply the City advertises commercial properties in an open and competitive manner when they become available for lease.

The property was advertised across multiple platforms from 27 February 2023 to when the EOI closed on 12 May 2023. The City received four submissions through the EOI process.

The City received a submission from Belgravia Leisure (the preferred applicant) which met the selection criteria associated with the EOI.

Following the identification of a preferred applicant via the EOI process, in June 2023 the City sought Council approval to authorise the CEO to commence negotiations with the preferred applicant, Belgravia Leisure, for a maximum period of three months.



Council approved this, subject to following outcomes being prioritised as part of the negotiation process:

- Ensure the public golf course remains affordable, accessible and welcoming for all.
- Require any new facility to include reception areas, social spaces, food and beverage facilities and amenities that are accessible to, and meet the needs of, all golf course users and the wider community, including the existing clubs.
- Agree on planning and management strategies to mitigate potential impacts of night-time uses on residential properties on Montreal Street, noting the strategic planning framework provides for increased residential density in the precinct.
- Ensure that any activities that encroach into Booyeembarra Park are community and / or recreational in nature and accessible by the community.
- Provide a clear demonstration of how parking demand will be met.
- Establish clear performance indicators and makegood provisions for the golf course infrastructure to form part of any proposed lease.

The three-month negotiation period has now concluded and having given due regard to the achievement of the aforementioned outcomes, terms have been agreed upon and are being presented to council and the community for consideration.

The terms of the proposed disposal as outlined in this plan constitute a major land transaction as defined in the Local Government Act 1995. This business plan provides the details of the proposed disposal and invites public submissions from the community.



Summary of Property and Details of the Proposed Major Land Transaction

Brief Description

The land is described as the 'Fremantle Public Golf Course' and is shown on the following Site Plan. The land has an approximate area of 15 hectares. The property is surrounded by High Street, Montreal Street, Booyeembara Park and Royal Fremantle Golf Course.

Address

Lot 555, 20 Montreal Street Fremantle

Certificates of Title

Portion of Reserve 6638, Lot 555 on Deposited Plan 413935, Crown Land Title Volume LR3170 Folio 948.

Site Area

That portion of Reserve 6638 as shown below.





Registered Proprietor

City of Fremantle

Encumbrances

O236300 Class A Reserve for the purpose of Recreation

L100532 Management Order - Power to Lease for any terms not exceeding 42 years.

Zoning (LPS4)

MRS reserve (Parks and Recreation (restricted) Reserve)

Heritage Issues

There are no heritage issues/considerations associated with the property

Nature of Major Land Transaction

Lease by the City of Fremantle to Belgravia Health and Leisure Group Pty Ltd ATF the Belgravia Leisure Unit Trust (Trading as Belgravia Leisure) for a total period of 21 years, inclusive of:

- First term 10 years
- First further term 6 years
- Second further term 5 years

Names of Parties

- Belgravia Leisure
- LaunchPad Golf (sub-tenant of Belgravia Leisure)

Consideration

Base Rent of \$104,000.00 plus GST per annum commencing year 3 of the lease.

Full details of the consideration to be received by the City of Fremantle under the transaction are contained in Appendix 1 – Lease Essential Terms.



The total value of the consideration under the transaction has been assessed as an amount as outlined to follow:

- Estimated minimum rental income received from the lessee \$1,976,000
- Minimum capital contribution to be received from the lessee \$15,800,000
- Capital contribution to be provided by the City of Fremantle \$3,200,000

Market Value of The Disposition

The valuation sought for this disposition was carried out on 26 October 2023, allowing the proposed disposition to be carried out during the period up to 26 October 2024. The valuation sought relates to the transaction of a lease and not the valuation for the property itself. The valuation was provided by McGees Property Valuers.

Valuer	Valuation Date	Estimated Market Value
McGees Property Valuers	26 October 2023	\$150,000

The valuation was undertaken as an 'as if complete' market rental valuation taking into consideration the proposed redevelopment as outlined within the proposed Lessee's submission. The valuation is based on the proposed building being completed and has not considered who will be funding the project.

The valuation does not consider lessee/lessor contributions as a factor as this is negotiated between the parties in the form of cash and/or rent-free periods. The valuer has indicated that the value of capital investment proposed by Belgravia would normally warrant a valuation closer to what has been agreed upon (\$104,000 p.a.) due to the significant value that will remain in the asset and vest with the City upon expiry of the Lease.



Methods of disposal

The method of disposal is in line with the requirements of the Local Government Act 1995.

The City is required to dispose of property in accordance with the requirements of the Local Government Act 1995. Under section 3.58 of the Act, read with regulation 30(2a)(c) of the Local Government (Functions and General) Regulations 1996, a Local Government can dispose of property if the disposal occurs within 6 months after the publication and advertising of a Business Plan under section 3.59(4) of the Act, provided that, as well as other information that required to be provided in a Business Plan under section 3.59 of the Act, the Business Plan also contains:

- (a) the names of all of the parties concerned with the disposition;
- (b) the consideration to be received by the Local Government for the disposition; and
- (c) the market value of the disposition as ascertained by a valuation carried out not more than 12 months before the proposed disposition.

All of the required information is contained within this Business Plan.



The Proposal

The Major Land Transaction being considered by the Council is the disposal of the land including the property located at 20 Montreal Street Fremantle known as the 'Fremantle Public Golf Course' by way of a 10 + 6 + 5 year lease to Belgravia Health and Leisure Group Pty. Ltd. The land has been leased previously to a commercial proponent for a similar purpose of operating a public golf course.

The essential terms associated with the proposed disposal are provided in Appendix 1 – Lease Essential Terms. The Lease essential terms contain the principal terms relating to the proposed disposition.

Details of the proposed golf operation

The preferred applicant, Belgravia Leisure is proposing the operation of the Fremantle Public Golf Course alongside an Australian-first Launchpad golf driving range facility.

The facility will provide an opportunity to position Fremantle as a leading golf related destination within Western Australia and significantly increase Fremantle's profile within both the golfing and recreation community.

The Launchpad golf driving range facility provides a purpose-built multi-level golf-based recreation and entertainment venue which would complement existing recreational uses within the precinct. This attraction is likely to contribute to the ongoing development of this precinct as a recreation driven destination.

The Belgravia proposal provides a traditional golfing experience with the management, operation and maintenance of the 9-hole golf course and Pro Shop during the day, integrated with the Launch Pad facility that would deliver an Australian-first driving range experience.

Belgravia Leisure in partnership with Launchpad Golf is proposing to invest a minimum of \$15.8 million into the delivery of a world class golfing experience for Fremantle. This will be alongside an investment of \$3.2 million from the City of Fremantle.

The primary aim of this partnership is to maintain the existing operation of the 9-hole public golf course while introducing additional amenities. Launchpad Golf will be delivering a two-story driving range, promoting both fun and social engagement. Additionally, an enhanced food and beverage service will be available, catering to golfers, the general public, and visitors to Booyeembara Park. This collaboration seeks to improve the overall user experience and ensure the golf course's sustainable operation in the future.





Proposed development site plan



Launchpad golf facility



About Belgravia Leisure

Belgravia Leisure is proposed as the head lessee and will sub-lease to the driving range component to Launchpad Golf. Belgravia Leisure will manage overarching golf course operations.

Belgravia Leisure is Australia's most diverse leisure management provider, managing venues across a diverse range of categories, including but not limited to:

- Golf Course management
- Aquatic & Sporting Venues
- Health Clubs
- Wellness & Spa venues
- Accommodation
- Caravan Parks & Campsites
- Attractions

Dating back to 1975 (under the name Austgolf Management), Belgravia Leisure have operated golf courses, mini golf courses, driving ranges and function and hospitality venues for our industry partners in Australia.

Golf courses currently under the management of Belgravia leisure include but are not limited to:

Western Australia	South Australia	Victoria
Point Walter Golf Course	Glanville Golf Course	Keilor Public Golf Course
Carramar Golf Course	Valley View Golf Course	Spring Park Golf Course
Marangaroo Golf Course	Little Para Golf Course	Geelong Golf Course



About Launchpad Golf

Launchpad Golf is a multilevel golf entertainment venue, which aims to break down the barriers to entry by welcoming new "golfers" to grow the game of golf. Today's golfers, particularly younger ones, are looking to a more social and gamified experience to enhance their game with the aid of mobile technology, social network integration, and different formats. In the US, this shift towards off-course play has almost matched the number of traditional turf-goers and is growing rapidly, making it easier for new players to get started with the game.

In Australia, the recently launched Inaugural Golf Strategy aims to leverage off this new trend and promote golf as a sport for everyone, regardless of the format. The goal is to challenge the perception of golf as an exclusive and costly sport and encourage more Australians to play golf in all its forms, from traditional golf, driving ranges to golf simulators.

Launchpad Golf has become a key driver in growing the sport of golf, due to its innovative approach. Launchpad Golf challenges the notion that golf is a slow, dull, and unapproachable sport. By adding a competitive element and creating a social atmosphere, Launchpad Golf proposes to make the game more engaging and enjoyable for players of all ages and skill levels. Notably, Launchpad Golf has succeeded in attracting millennials and Gen Z's, with 48% of its guests in other locations falling between the ages of 18 and 34.

Positioning Launchpad Golf alongside a traditional green grass 9-hole public golf course will provide an opportunity to immerse golfers (novices and experienced players alike) further into the sport and add to the ongoing sustainability of the overall operations of the Fremantle Public Golf Course.





Launchpad Golf - Mickelson National - Calgary AB, Canada





Launchpad Golf Driving Range - Heritage Pointe AB, Canada



Proposed Fremantle Launchpad Golf Driving Range Facility

The proposed Launchpad golf facility is expected to comprise the following components:

- A two-storey driving range, pro shop and associated amenities building, set back 30m from the Montreal Street (western) lot boundary.
- A total of 40 hitting bays.
- A generous dining area and kitchen available to golf course patrons and the wider public.
- Female toilets, male toilets, staff room, server room, data room, ball room and storage/equipment rooms.
- New putting green area to the west of the building.
- Floodlights attached to the building and directed to the east.
- Two 7m wide vehicle crossovers to Montreal Street, providing access to a 36 bay car parking area. Two bays are likely to be designated for Electric Vehicle charging. Bicycle racks are also proposed, encouraging sustainable and alternative means of transport.
- A loading and bin store area.
- Relocation of the first hole tee box of the Fremantle Public Golf Course.
- Various landscaping, footpaths and pavement treatments.
- Removal of approximately six trees to accommodate the new driving range building and high level fencing. Additional planting will occur else where on the development site with an objective to achieve a net gain in trees.
- Ordering kiosk on the southern elevation of the building that will integrate with Booyeembara Park.

Including on the golf course, the maximum number of patrons and staff is expected to total 306 (276 patrons and 30 staff). The facility is intended to operate from 7am to 12am, 7 days per week, subject to licensing and regulation approvals.

The venue and golf course will operate under a Special Facility liquor license. The course is currently operated under the Special Facility liquor license held by Royal Fremantle Golf Course which the operator would seek to transfer.



Design

Following engagement with the City during the three-month negotiation period, the concept design incorporates the following design features:

- Undercover Alfresco Space and Order Kiosk: Located at the southern end of the building, this space is designed to blend seamlessly with the City's future plans for this section of Booyeembara Park. Park visitors can order food and drinks from the walk-up order & collect window, allowing interaction with the park.
- The indicative public art included on the south side of the building facing the park is the aboriginal symbols for "sand hill" and "meeting place". Booyeembara is a local Aboriginal word which means "of limestone hills".
- A minor (171 m2) encroachment of the buildings south end is required into Booyeembara Park. This encroachment is required in order to prevent a complete redesign of the ninth hole and a shortening of the first hole to the extent that it becomes unplayable. This encroachment benefits park visitors by providing an alfresco dining area and food and beverage services.
- Practice Green & Realigned First Tee: Located at the northwestern aspect of the building.
- Netting: The proponent has sought advice and a design from their netting supplier, Country Club International, on the amount of netting required who have advised the following:
 - Left-hand Side of the range: Safety Screen to be 100m in length by a minimum of 24 metres in height.
 - Right-hand Side of the range: Safety Screen to be 175m in length by a maximum of 36 metres in height.
- Bike Racks: Additional bicycle parking racks located near the building entrance.
- Car Park Modifications: Adjustments have been made to minimise any encroachment into Booyeembara Park and achieve a tree canopy cover of minimum 20%.



- The preservation of the Olive Grove Axis as a green, park-like pedestrian connection to Montreal Street.
- A well-defined pedestrian connection from the Montreal Street to the entrance of the building.
- EV Charging Stations: Two dedicated EV charging stations, with the flexibility to increase the number of chargers in the future.
- Loading and Bin Storage Area: This undercover section is shielded from public view.



Proposed integration with Boyeembara Park at Southern end of facility



Landscaping

Landscaping areas have been depicted within the concept design package provided in Appendix 2. A concept landscaping plan depicting areas of landscaping areas, flora species, quantities and sizes will be provided to support any future development application and demonstrate a high amenity outcome.

Planning information

The subject site is reserved 'Parks and Recreation' under the provisions of the Metropolitan Region Scheme (MRS) and is used as a public golf course. Parks and Recreation reserves generally comprise land of regional significance for ecological, recreation or landscape purposes.

The subject site is in the municipality of the City of Fremantle and is subject to the provisions of the City's Local Planning Scheme No.4 (LPS4). The subject site is not zoned under the provisions of LPS4 given it is wholly reserved under the provisions of the MRS.

The subject site is owned by the State of Western Australia and is subject to a management order to the City. Development approval of the City is not required where land is wholly reserved by the MRS. Following lodgement of a development application with the City, the City will forward the documentation to the Western Australian Planning Commission (WAPC) for assessment and determination. The City and any relevant external state agencies will review the proposal and its documentation, and provide a recommendation to the WAPC.

The proposal has merits from the planning framework perspective and is consistent with the objectives of the Parks and Recreation reserve. Although a private enterprise, the proposal seeks to enhance the existing amenity of the golf course and provide an interactive interface to the park, encouraging activation of the reserve.

Any development application will require the preparation of the necessary supporting documents to demonstrate that the proposed development will not result in any adverse amenity impacts to sensitive premises by means of noise, traffic and light spill. Waste management, bushfire risk management and an appropriate landscaping outcome will also need to be demonstrated by the proponent. Based on the proposal it has been assessed that potential impacts can be managed appropriately.



EXPECTED EFFECT ON THE PROVISION OF FACILITIES AND SERVICES

(section s.3.59(3)(a) of the Local Government Act)

Is the property currently providing any services?

The property is currently being (and was previously) operated as a public golf course. It provides a redeveloped 9-hole public golf course and a basic driving range offering. It is open to the public seven days a week with bookable tee times.

What effect will disposal have on that service?

The disposal will result in a continuation of the existing service being provided and seeks to improve the service available through the provision of new golf related infrastructure including a driving range.

The disposal will provide continuity to the current service being provided and add value by way of the proposed tenant funding significant capital improvements to the facility.

What effect will the proceeds of the disposal have on budget and service provision?

The proceeds (annual rent) from the lease of this property will be placed into general revenue of the City of Fremantle. Provision has been included in the lease agreement for the rental to be reviewed by CPI on each twelve-month period, as well as market rental value each 5 years.

The disposal will have no impact on the City's service provision as it is generating a similar rental return to the current lease, and the course will be operated by the proponent. The City's property portfolio is an important revenue generator for the City and as such retaining a similar rental return via the proposed disposal will be important for the continuation of current service levels across the community.

Upon the conclusion of the lease terms and additional options, the infrastructure delivered by the tenant will become property of the City and be retained for ongoing use by the community.



EXPECTED EFFECT ON OTHER PERSONS PROVIDING FACILITIES AND SERVICES IN THE DISTRICT

(section s.3.59(3)(b) of the Local Government Act)

Will the proposal have a positive or negative effect on the local community?

This property is currently used for a similar purpose and has been used as a golf course since around 1947. The proposed disposal is likely to have the following positive impact on the local community:

- Introduction of an Australian-first recreational pursuit for the community to engage with by way of delivery of a Launchpad Golf Driving range facility, which is a significant improvement to current driving range facilities.
- The facility will be complementary to existing recreational uses within Boyeembara park including the mountain bike trail and provide the surrounding community with improved access to regional level recreational outcomes.
- A publicly accessible food & beverage offering will become available for the surrounding community including access to coffee and food for Boyeembara park users via the proposed integration with the park at the southern end of the golf facility.
- The proposal will result in the golf course offering transitioning from temporary facilities to a fully operational club house and pro shop which will significantly improve the playing experience for the golfing community.
- The proposal is likely position Fremantle as a leading golf related destination within Western Australia and significantly increase Fremantle's profile within both the golfing and recreation community.
- In addition to the many local trades required to construct the new venue, Launchpad Golf will create over 100 job opportunities within the local area once opened. From bartenders, chefs, kitchen hands and F&B runners to Guest Services personnel and Management, Launchpad Golf will offer full-time, part-time and casual positions to set new standards for service and atmosphere.



Noise considerations

In consideration of potential noise impacts, the proposal has been designed/oriented to face east, away from the nearby residential uses. The building is set back a minimum of 30m from the western lot boundary, providing a minimum separation distance of approximately 190m from the existing residential properties to the southwest of the development site. Accordingly, the proposal is expected to provide an appropriate amenity outcome through its overall design, location and operational measures.

Noise levels associated with the proposed facility will be required to demonstrate compliance with the Environmental Protection (Noise) Regulations 1997 during operating hours. An Environmental Noise Assessment Report will be prepared by a suitably qualified acoustic consultant and considered as part of the development application process.

Lighting impacts

Given the proposed facility faces east, away from the nearest residential properties, there is expected to be little (if any) impact on the amenity of nearby residential properties.

Lighting associated with the facility will be required to demonstrate compliance with AS/NZS 4282.2019 Control of the obtrusive effects of outdoor lighting. The maximum limit of illumination will be assessed within the lighting assessment as part of the development application process.

Bushfire Management

The development site is located within a designated 'Bushfire Prone Area' in accordance with the Department of Fire and Emergency Services Map of Bushfire Prone Areas. Accordingly, a Bushfire Attack Level (BAL) assessment will be undertaken over the site to determine an acceptable BAL rating.

A Bushfire Management Plan (BMP) and Bushfire Emergency Evacuation Plan (BEEP) will be prepared in support of the proposed development during the development application stage, setting out appropriate mitigation/bushfire protection measures to satisfy the relevant requirements of State Planning Policy 3.7 Planning in Bushfire Prone Areas.



Proposed Community Facility

Concurrent to this process, the City commenced a procurement process for the construction of a Golf Clubhouse which was to include a community centre. It was intended that a new golf course operator would have the opportunity to manage the recently upgraded golf course and newly constructed club house/café, and a community centre incorporated into the same facility would be managed by the City (and hired/accessed by community groups).

Given the proponent is proposing to fund and construct the golf and driving range facilities via a minimum \$15.8m capital contribution (as an alternative to the City doing so), an opportunity exists for the City to reassess the scope of the community centre component and consider the delivery of a standalone community centre in an alternate location within proximity to the existing site.

While the proposed golf and driving range facilities will be completely publicly accessible and incorporate a public café servicing Boyeembara park, the proposal from Belgravia Leisure and Launchpad does not incorporate a bookable community facility. As such the City will seek to engage the community on the most suitable location for the construction of a community facility given it is no longer required to be incorporated in to the golf facility.

It should be noted that the City has retained the funds to support a standalone community facility, which will remain in the budget until a suitable outcome is reached in consultation with the community.



Will this proposal put additional strain on neighbouring services e.g. car parking, public transport, increased demand for local services, business services?

Considerations have been given to the impact on neighbouring services. The disposal is not expected to put additional strain on neighbouring services as it is similar in nature existing service being provided. The capital improvements being proposed and funded by the proposed tenant will improve the functionality of the current facility for golfers and the general public alike. It should not impact upon local or public transport services, rather those services may benefit from increased patronage.

Notwithstanding the proposal is unlikely to put additional strain on neighbouring services, further information regarding car parking and waste management has been provided.

Car Parking

The proposed development is situated within an existing golf course and will replace the existing driving range. Thirty-six (36) parking bays are proposed on site to accommodate the demand generated by the proposed Launchpad golf facility. There are approximately 56 existing street parking bays in proximity to the premises on Montreal Street and a further 26 existing street parking bays which may also accommodate patrons of the Launchpad golf facility and existing golf course patrons. There is an opportunity for additional car parking bays accessed from Montreal Street which could bring the total bays up to approximately 160 bays. Overall, there is an opportunity to accommodate and potentially use 186 bays.

With regard to statutory planning and technical car parking provisions, the Private Recreation land use is required to provide one car parking bay per five seats or per five people accommodated under the provisions of the local planning scheme (LPS4).

The maximum number of patrons and staff is expected to total 306 (276 patrons and 30 staff). The proposed development is required to provide 61 car parking bays. Currently there is estimated to be a 25 bay on site shortfall, however the large surplus of existing and proposed street parking bays within the Montreal Street verge will logically cater for any increased car parking demand.

Furthermore, some of the existing golf course patrons using the Montreal Street car parking bays are expected to use the Launchpad facility, creating car parking efficiencies. Given the social nature of Launchpad golf, is it anticipated that some patrons would utilise ride share services. A Transperth Bus stop (the 502 route) is located on Amherst Street, approximately 540m west of the development site by foot.



An appropriate level of traffic reporting, prepared by a suitably qualified transport engineer in accordance with the WAPC's Transport Impact Assessment Guidelines for developments will be provided to support any future development application. This would be in the form of a Transport Impact Statement or Traffic Impact Assessment. The TIS/TIA will examine and confirm whether the existing car parking provision is sufficient to support the Launchpad Golf facility.

An indicative car parking plan is provided in Appendix 2.

Waste Management

The concept design package depicts a bin, loading and servicing area to the west of the Launchpad building, with waste likely to be collected by a private contractor. The location presents a logical solution to ensure efficient service and one way vehicle circulation occurs. A Waste Management Plan (WMP) prepared by a suitably qualified waste consultant will be provided at the development application stage.

The WMP will confirm the proposal provides sufficiently sized bin stores for storage of refuse and recyclables, based on the estimated waste generations and suitable configuration of bins. The design will also need to ensure the efficient collection of both refuse and recyclables.



EXPECTED FINANCIAL EFFECT ON THE CITY OF FREMANTLE

(section 3.59(3)(c) of the Local Government Act)

In financial terms what are the effects on budget?

The property is currently under a management agreement and proceeds are being received into general revenue. The intention of this lease is for this situation to remain unchanged.

Based on the current market valuation and the essential terms agreed to in principle by the proposed tenant, the disposal is expected to generate the following positive impact on the City's budget over the term of the proposed lease, not including CPI and market rent adjustment over the term.

- Rent approx. \$104,000 per annum
- Impact to budget over first term (10 years) = approx. \$832,000 in rent received.
- Impact to budget over first further term (6 years) = approx. \$624,000 in rent received.
- Impact to budget over second further term (5 years) = approx. \$520,000 in rent received.

The total impact to the City's budget over the full term of the disposal would be approximately \$1,976,000 in base rent revenue, with any adjustments to CPI and market rent being in addition to this.

The City will also be required to make a capital contribution (expenditure) of \$3,200,000 towards the construction of the project. These funds are currently budgeted for (held in reserve) and are predominantly made up of grant funding provided to the City by Main Roads WA.



What are the costs associated with the disposal?

Costs associated with the disposal are valuation costs and legal costs associated with preparation of the relevant agreements and documentation. These costs are not expected to exceed \$20,000, which is already covered in the existing budget. The lease will include a provision for the lessee to cover some of these costs.

The current proposal includes a capital contribution from the City to the value of \$3.2 million. This expenditure will be allocated towards integrating the new facility into the existing landscape and include:

- Any adjustments or realignments required to adjacent course/holes/tees
- Construction of off street and on street parking
- Landscaping to the south of the facility to achieve integration of public food and beverage offering with Booyeembara Park

These funds are currently budgeted for (held in reserve) and are predominantly made up of grant funding provided to the City by Main Roads WA.

Do we currently derive income from the property or will we in future?

The property is currently under a management agreement and the City receives rental income as per the conditions of the license. Annually, the current license generates approximately \$74,250.00 in base rent and \$74,421.52 in turnover rent per annum.

As previously stated, the proposed lease arrangement is being estimated to generate up to \$1,976,000 in rental income over the full term of the lease, with any adjustments to CPI and market rent being in addition to this.



Will the change have an effect on rates income?

Rates and charges are currently applicable to this property and these charges will remain applicable under this agreement.

Estimated income associated with the lease is as follows:

- Rate income estimated at \$14,891.27 per annum
- Emergency Services Levy estimated at \$2,708.11 per annum

If it is a disposal what is council going to do with the money?

The disposal is by way of an exclusive use lease arrangement. Proceeds from the lease arrangement will be received annually into general revenue.



EXPECTED EFFECT ON MATTERS REFERRED TO IN THE CITY OF FREMANTLE'S FORWARD PLAN

(section 3.59(3)(d) of the Local Government Act)

What will the impact be?

The current City of Fremantle Strategic Community Plan 2015 - 2025 includes the following vision for the future:

Fremantle: a destination city

- A city that is clever and creative, inspiring and inclusive.
- A city that welcomes and celebrates all people and cultures.
- A city that encourages innovation, prosperity and achievement.
- A compassionate city that cares for the wellbeing of our people
- and the environment we share.
- A city that thrives on diversity and dares to be different.

In addition to the vision the plan included seven capability areas as per below:

- Economic development diversify and strengthen Fremantle's economic capacity.
- Environmental responsibility Work with the community to develop environmentally sustainable solutions for the benefit of current and future generations.
- Transport and connectivity Enhance the connectivity throughout the city of Fremantle and other strategic economic hubs and population centres.
- Character, culture and heritage Sustain and grow arts and culture and preserve and promote the importance of our social capital, built heritage and history (both pre- and post-European settlement)
- Places for people Create great spaces for people through innovative urban and suburban design



- Health and happiness Creating a physical and social environment where it is easy for people to lead safe, happy and healthy lives.
- Capability An innovative, responsive, influential local government which leads the way in delivering services and projects through good governance, effective communication, responsible management and excellence in delivery.

The proposal directly contributes to the achievement of the plan's vision and at least three strategic focus areas being economic development, Character culture and heritage, and Capability. The table to follow provides an overview of how.

Vision/Strategic Focus Area	
Fremantle: A destination city	The proposal is likely position Fremantle as a leading golf related destination within Western Australia and significantly increase Fremantle's profile within both the golfing and recreation community.
Economic development: diversify and strengthen Fremantle economic capacity	• In addition to the many local trades required to construct the new venue, Launchpad Golf will create over 100 job opportunities within the local area once opened. From bartenders, chefs, kitchen hands and F&B runners to Guest Services personnel and Management, Launchpad Golf will offer full-time, part-time and casual positions to set new standards for service and atmosphere.



Health and happiness - Creating a physical and social environment where it is easy for people to lead safe, happy and healthy lives.

- Introduction of an Australian-first recreational pursuit for the community to engage with by way of delivery of a Launchpad Golf Driving range facility, which is a significant improvement to current driving range facilities.
- The facility will be complementary to existing recreational uses within Boyeembarra park including the mountain bike trail and provide the surrounding community with improved access to regional level recreational outcomes.
- A publicly accessible food & beverage offering will become available for the surrounding community including access to coffee and food for Boyeembarra park users via the proposed integration with the park at the southern end of the golf facility.

Capability: An innovative, responsive, influential local government which leads the way in delivering services and projects through good governance, effective communication, responsible management and excellence in delivery.

- The lease will generate revenue for the City's commercial property portfolio. The City's commercial property portfolio is an important revenue generator for the City and contributes to its ability to deliver services to the community.
- Revenue received from the lease will assist in the provision of



services to the community through
the annual budget.
The proposal will result in the golf course offering transitioning from temporary facilities to a fully
operational club house and pro shop which will significantly improve the

playing experience for the golfing

community.

Will any funds be specifically applied to any projects referred to within the plan?

Proceeds from the annual rental will be used as general revenue funding to support the provision of Council services and facilities. Provision has been included in the City's Long Term Financial Plan to consider how council may contribute further funds to the ongoing maintenance and capital improvement of the golf course and associated facilities into the future.



THE ABILITY OF THE CITY OF FREMANTLE TO PERFORM THE TRANSACTION

(section 3.59(3)(e) of the Local Government Act)

How will the disposition take place?

The proposed arrangement will be formalised by way of legal agreement (exclusive use lease) between the City of Fremantle and Belgravia Health and Leisure Group Pty Ltd. This agreement will be registered. The lease document will be developed, reviewed and finalised by the City's contracted solicitors.

How does it fit in with the Local Government Act?

The Local Government Act 1995 allows local authorities to dispose of properties other than by auction or by public tender as long as the sale is advertised statewide and open to comment by members of the community. Since this proposal will constitute a major land transaction then, in accordance with the Local Government Act, this Business Plan has been produced and is open for public comment for a period of six weeks. Council will then be required to consider any submissions prior to making any decision whether to proceed with the proposed disposition.

OTHER MATTERS OF WHICH DETAILS ARE REQUIRED TO BE GIVEN

(section s.3.59(3)(f) of the Local Government Act)

Are there any encumbrances?

Encumbrances are referred to in the Summary section of this Business Plan, above. Developments are subject to council's normal planning procedures. Any subsequent development of the property will be subject to all normal planning procedures.



Appendix 1 – Lease Essential Terms

Lease term

• First Term: 10 years

First Further Term: 6 YearsSecond Further Term: 5 years

Commencement date

TBC

Commencement rent

• Year 1: \$1 per annum

• Year 2: \$1 per annum

• Year 3: \$104,000 plus GST per annum and increased by 3% annually for the remainder of the term (including options).

Annual rent payable

• \$104,000 plus GST per annum

Rent Review

• Rent Review: CPI increase/decrease annually and market review every 5 years.

Capital Contribution from Lessee

• Minimum of \$15,800,000

Capital Contribution form City of Fremantle

• \$3,200,000

Appendix 2 – Landscaping Plan, Concept Design Renders & Parking Plan













































