

LATE ADDENDUM

REPORTS THROUGH GENERAL MANAGER**REPORTS FROM THE GENERAL MANAGER****a02 [GM-OC] Regional and Local Community Infrastructure Program****ORIGIN:****General Manager****SUMMARY OF REPORT:**

Late last year the Federal Government announced it was making available \$300 million to local government as part of its economic stimulus package. This package included \$250 million distributed to all Councils and \$50 million towards Strategic Projects that had a capital cost of over \$2 million and would be allocated on a competitive basis.

On the 16 December 2008 Council resolved to submit an application for the Strategic Projects component *for the implementation of Stage 1 of the Jack Evans Boat Harbour redevelopment*.

On 16 February it was announced that an additional \$500 million would be allocated to the Strategic Projects program.

Applications for the now \$550 million Strategic Projects program, are to be reopened for three weeks to provide an opportunity for local councils who were unable to submit an application in the first round or were unable to submit their preferred application to do so.

Applications close on the 6th March 2009 and Council can submit one application each and in addition can apply once as a part of a group of councils.

This report recommends that Council increase the funding request for the Strategic Projects component to include the implementation of both Stage 1 and Stage 2 of the Jack Evans Boat Harbour redevelopment based on the significant increase in Federal Government grant funding.

RECOMMENDATION:

That Council resubmits its existing application to the Federal Government's Regional and Local Community Infrastructure Program for the implementation of Stage 1 and Stage 2 of the Jack Evans Boat Harbour redevelopment.

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REPORT:

Regional & Local Community Infrastructure Program**Background**

The Prime Minister, the Hon. Kevin Rudd MP, announced at the Australian Council of Local Government inaugural meeting on 18 November 2008 that the Australian Government will contribute \$300 million to local councils and shires and their communities in 2008-09 to stimulate growth and economic activity across Australia.

The first component, known as the **Regional and Local Community Infrastructure Program**, provides funding of \$250 million in 2008-09 which will be distributed to all local councils and shires on the basis of a methodology which includes relative need, population and growth. Tweed Shire Council received \$1,293,000.

The second component is known as the **Regional and Local Community Infrastructure Program – Strategic Projects** (RLCIP – Strategic Projects). The Australian Government is making up to \$50 million available in 2008-09 to local government on a nationally competitive basis.

On the 16 December 2008 Council resolved that it;

- "1. *Makes application to the Regional and Local Community Infrastructure Program for funding of the following projects:*

(i)	<i>Visitor Information Centre</i>	<i>\$150,000</i>
(ii)	<i>Skate Park – Stage 2</i>	<i>\$250,000</i>
(iii)	<i>Murwillumbah CCTV</i>	<i>\$100,000</i>
(iv)	<i>Ambrose Brown Park upgrade</i>	<i>\$230,000</i>
(v)	<i>Kingscliff Foreshore</i>	<i>\$300,000</i>
(vi)	<i>Burringbar/Mooball Cycleway</i>	<i>\$263,000</i>
	TOTAL	\$1,293,000

2. *Makes application to the Regional and Local Community Infrastructure Program – **Strategic Projects** for \$2M plus to fund implementation of Stage 1 of the Jack Evans Boat Harbour redevelopment."*

These applications have been lodged and Council is still awaiting a response.

On 13 February 2009, the Australian Government announced an additional \$500 million to the previous \$50 million Regional and Local Community Infrastructure Program (RLCIP – **Strategic Projects**) announced by the Prime Minister at the first meeting of the Australian Council of Local Government on 18 November 2008.

The funding is for local government to stimulate growth and economic activity across Australia and support national productivity and community well-being.

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The new total of \$800 million of the Nation Building package will be delivered as follows:

- \$550 million for Strategic Projects
- \$250 million allocated direct to councils and shires

With the extra \$500 million, local councils will have the opportunity to submit new or revised applications.

The applications must be submitted by **4pm AEDST, Friday 6 March 2009**.

The Department has advised that Council must do one of the following:

- *advise the Department that they wish to continue with their existing applications;*
- *submit a new application for a new project; or*
- *revise their existing application and resubmit within the deadline.*

The Guidelines identify that the:

- *applications are limited only to local governments, **and only one application per council consisting of one project;***
- *projects must be ready to go and able to proceed within six months of signing a contract;*
- *projects must be seeking a Commonwealth contribution of at least \$2 million;*
- *councils and shires are encouraged to contribute their own funds or secure partnership funds for projects; and*
- *community organisations' projects are permitted as long as they are sponsored by a local government.*

Larger projects and projects which include partnership funding will be given preference.

Projects will be assessed by the Department of Infrastructure, Transport, Regional Development and Local Government (the Department) on a tight timetable.

All councils and groups of councils are eligible to apply for funds under RLCIP - Strategic Projects. Councils may also apply on behalf of not-for-profit organisations. Eligible projects must be 'ready-to-proceed' (the project must be ready to commence construction within six months of signing the Funding Agreement [contract]), or may be additional stages to projects that are currently underway.

Specific guidelines for this funding grant program are located at the rear of this report.

As part of this announcement the Federal Government has also advised that it is conscious of the additional needs of local communities that have been affected by the Victorian bushfires and the Queensland floods. Subsequently it is consulting with councils to determine options for assisting the rebuilding effort in their communities.

Under this program completed applications must be lodged by 6 March 2009. Projects must be "ready to proceed", that is ready to commence construction within six months of signing the funding agreement. Also given that the fund is for large projects seeking a minimum Commonwealth contribution of \$2M and that there is a preference for

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partnership funding the only project that fulfils these prerequisites is implementation of Stage 1 and Stage 2 of the Jack Evans Boat Harbour Implementation Plan.

Jack Evans Boat Harbour Redevelopment Project**Background**

A Ministerial Task Force was formed to manage the creation of the Tweed Heads Economic Development Strategy and subsequently the Tweed Heads Town Centre Masterplan. The Masterplan was completed in August 2004 and launched by the Honourable Diane Beamer MP, Minister Assisting the Minister for Infrastructure and Planning.

Following release of the Masterplan a Project Facilitation Team (included representatives from Department of Infrastructure, Planning and Natural Resources, Department of State and Regional Development, Department of Lands, Tweed Economic Development Corporation and Tweed Shire Council) was established to oversee implementation and Council appointed a landscape architect to project manage implementation of works in Jack Evans Boat Harbour.

- Concept plans for Jack Evans Boat Harbour were developed to reflect the Tweed Heads Masterplan objectives, being:-
 - Provide a mix of uses and activities that activate the area, day and night, catering for all ages.
 - Provide areas for passive and active recreation that caters for the needs of the diverse range of user groups and community desires for the land.
 - Establish a high profile point of difference to the Gold Coast beach environment.
 - Create a safe, controlled and easily accessible environment
 - Improve connections to the surrounding areas, in particular Bay Street and Durambah Beach.
 - Employ Water Sensitive Urban Design techniques to protect and improve water quality
 - Complement the surrounding land uses and facilities.
 - Make provision for celebrating local Aboriginal and European cultural heritage.
 - Provide a safe, clean and accessible swimming lagoon for people of all ages and abilities.

The concept plan was placed on public exhibition between April and June 2006. The consultation began with a public launch opened by the Minister for Aboriginal Affairs at the old caravan park site at Jack Evans Boat Harbour and models and information boards were left on exhibition at a number of public places. Sixty one community members replied formally to the consultation, however over 50% of these responses commented on proposed development in the Coral Street commercial area, which was not part of the project on exhibition (the Coral Street proposal is a project of the NSW Lands Department). Of the feedback that responded directly to the Jack Evans Boat Harbour design the results are summarised below:-

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Comment Type	%	Details (summary)
Positive / General	62%	<ul style="list-style-type: none"> • Open Parkland & 'natural' spaces to be re-created • Retain 'unique' character of Jack Evans Boat Harbour • Positive social and community benefit • Retain and improve BBQ and picnic facilities • Water Sensitive Urban design to improve drainage and water quality of the harbour • Creation of opportunities for market space, public art and street performance • Support for Kiosk proposal • Completion of walking track and regional cycle-way • Strong support for IPPP. • Acknowledgement of historic water lines and history of port at Wharf Street • New Toilet facilities
General Suggestions	20%	<ul style="list-style-type: none"> • Request for more active play facilities such as courts • Consider shark nets / surveillance • CCTV proposal • Ensure access to beach/water for small boats and surf lifesaving training • Re-consider location of interstate bus set down point • Concern about recurrent costs and maintenance standards • Consider dog-off leash opportunities due to current use
Negative	18%	<ul style="list-style-type: none"> • Insufficient Car parking, no parking meters • Expense • Insufficient consultation • Loss of mangroves on Northern bank & possible destruction of sea-grass beds.

The majority community response to the Jack Evans Boat Harbour concept design was positive and at its meeting held 15 August 2006 Council resolved to adopt the Jack Evans Boat Harbour design concept. At this meeting Council also endorsed Option 1 for staging of the works with an estimated cost at that time of \$6m.

Design Contract

During 2007 Council conducted a tendering process to select a design consultant for Jack Evans Boat Harbour design, development and contract documentation. From a large number of original expressions of interest a short list of 4 consultants was produced. On 2 October 2007 Council resolved to accept the tender from Aspect Studios to the value of \$363,134 for the design of Stage 1 works.

Aspect Studios are a landscape architect consultancy and have overall responsibility for the Jack Evans Boat Harbour design process. They have also engaged a multi-disciplinary group of sub-consultants to handle specialist aspects of the design which include coastal processes (sand movement within the harbour, shore line stability, tidal impacts, currents etc), land forming, drainage and stormwater treatment and general civil engineering. In June 2008 the consultants presented further developed concept designs to the Council Administrators. These June 2008 concept plans were a more detailed development of the concept plan adopted by Council in August 2006. The Administrators were happy with the concept development and the consultants were given the go ahead to proceed with detailed design and contract documentation in accordance with these concepts.

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As at December 2008 the detailed concept plans are fully developed and detailed design and contract documentation is well advanced. The full package of completed documents that will enable tenders to be called for construction will be available in March 2009.

Scope of Design Project

A draft schematic plan of the design concept from Aspect Studios as at December 2008 is attached to this report. This plan is work in progress and should not be taken as a final document. However the plan does illustrate the extent of stage 1 of the project as it now stands. Stage 1 includes perimeter beach/harbour revetment works, access platforms to the water, 2 sandy beaches, pathways and boardwalk along the harbour edge, open space and landscaped areas. It also includes land forming and drainage works for the catchment areas to the west of the landscape works that are necessary to ensure stormwater drainage is collected and treated for removal of pollutants prior to discharge into the harbour (there are currently 5 stormwater drainage outlets into Jack Evans Boat Harbour and none are currently treated for pollutant removal).

The proposed works commence some distance to the north of Bay Street and are not dependent on the proposed closure and activation of Bay Street that is reported elsewhere in this meeting agenda. The proposed works also terminate at Coral Street and are not a part of the proposed commercial developments by the NSW Department of Lands in that area.

Planning Approval

The Jack Evans Boat Harbour project will be assessed for planning approval under Part 5 of the Environmental Planning and Protection Act, 1979. It is proposed to submit the application early in the New Year. The application will be advertised for public comment.

Finance

\$3million has been allocated in 2009/2010 in loan funds within the 7 Year Plan. A further \$1.5m has been indicated in 2010/2011 from Section 94 Plans and another \$1.5m in 2011/2012 also from Section 94 Plans.

As part of Aspect's consultancy they are to produce updated estimates of cost based on their detailed design. It is understood that their quantity surveyors are currently working on these estimates and draft figures will be available shortly.

CONCLUSION

The Jack Evans Boat Harbour project complies with all the guidelines for the Commonwealth Government's Regional and Local Community Infrastructure Program - Strategic Projects. Further, due to the project being almost completed it satisfies the requirement of being able to be commenced within 6 months of a commonwealth grant being approved.

The Jack Evans Boat Harbour project will greatly enhance the amenity, useability and environment of the Tweed Heads town centre and provide an economic stimulus for further economic and tourist growth in the area. It is a very worthwhile project and an additional \$2m+ from the Regional and Local Community Infrastructure Program –

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Strategic Projects grant would be of great benefit in complementing Council's existing funding sources for this project.

Program Guidelines

Guidelines

Regional and Local Community Infrastructure Program – Strategic Projects 2008-09 – \$550 million

1. INTRODUCTION

On the 13th February 2009, the Australian Government made an additional \$500 million available for the Regional and Local Community Infrastructure Program – Strategic Projects (RLCIP-SP). Under the RLCIP-SP the Australian Government is making up to \$550 million available to local government to stimulate additional growth and economic activity across Australia as a part of the Australian Government's contribution to addressing the global economic crisis.

Under the RLCIP – Strategic Projects funding will be available for a limited number of large strategic projects seeking a minimum Commonwealth contribution of \$2 million. Larger projects and projects which include partnership funding will be given preference.

Projects will be allocated funding on a nationally competitive basis and will be assessed by the Department of Infrastructure, Transport, Regional Development and Local Government (the Department) on a tight timetable.

All local councils, or groups of councils, are eligible to apply for funds under RLCIP-SP. Local councils may also apply on behalf of local not-for-profit organisations. Eligible projects must be additional 'ready-to-proceed' (the project must be ready to commence construction within six months of signing the Funding Agreement (contract)), or be additional stages of projects that are currently underway.

2. PROJECT ELIGIBILITY

2.1 What can the funding be spent on?

RLCIP – Strategic Projects will provide funding for community infrastructure including new and major renovations or refurbishments such as:

- social and cultural infrastructure (e.g. art spaces, gardens);
- recreational facilities (e.g. swimming pools, sports stadiums);
- tourism infrastructure (e.g. walkways, tourism information centres);
- children, youth and seniors facilities (e.g. playgroup centres, senior citizens' centres);
- access facilities (e.g. boat ramps, footbridges); and
- environmental initiatives (e.g. drain and sewerage upgrades, recycling plants).

Projects that can be funded need to be consistent with the attached list at Annexure A.

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Funding can be used for:

- construction or fit out;
- preparatory work such as necessary engineering and geotechnical studies
- land surveys and site preparation; and
- project management costs.

2.2 What will not be funded?

Funding will not be available for activities such as ongoing costs (e.g operational costs and maintenance), transport infrastructure, such as roads, or related infrastructure covered by the Roads to Recovery or Black Spots programs.

Local councils are required to complete the application form available from <http://www.infrastructure.gov.au/local/index.aspx>.

A completed application submitted through the Department's website is preferred.

The Department is aware that if a large number of councils decide to lodge their application by email, applicants may experience technical problems during lodgement due to the anticipated large size of application attachments. This may create difficulty for the Department and yourself in submitting applications by the deadline.

A separate communication will be sent to you advising the process for uploading your application on the nominated website.

Also, application forms can be sent in hard copy to:

Regional and Local Community Infrastructure Program – Strategic Projects
Department of Infrastructure, Transport, Regional Development
and Local Government.
GPO Box 594
CANBERRA CENTRE ACT 2601

or emailed to RegionalGrants@infrastructure.gov.au.

Deliveries mailed to the Department's postal address (GPO Box 594, CANBERRA ACT 2601) will need to be in the Department's post office box by 4:00pm AEDT on 6 March 2009.

Please note that for security reasons, the Department does not have the facility to receive applications delivered by hand or courier to its National Office at 111 Alinga Street, Canberra.

To reduce the risk that your application is not submitted by the required time (as detailed below) the Department recommends that applicants use the web based solution for lodgement.

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A final and complete application form should be submitted by **4:00pm (Australian Eastern Daylight Savings Time) on 6 March 2009**. Applications being submitted electronically will be deemed to have been received on time if sent or submitted by 4:00pm AEDT on 6 March 2009. The judgement of the Department as to the actual time an application has been submitted will be final. Submission by post is only complete when the full and complete application is received at the post box detailed above.

Where electronic submission of an application has commenced prior to the required submission time set out above but concluded after that time, the application will not be deemed to be late. Where an application consists of multiple parts due to the number and/or size of the files, applicants must ensure that uploading or transmission of all parts is completed before the required time.

Applicants need to be aware that the Commonwealth of Australia takes no responsibility for any problems arising in the application submission process, including for example any problems arising from email system capacity, postal system delays, or problems with applicants' infrastructure and/or the Department's or applicants' Internet connectivity. Applicants are responsible for ensuring submission of applications has occurred on time and in accordance with the requirements of these Guidelines. The Department recommends that applicants provide sufficient time for any problem analysis and resolution.

The file formats of electronically submitted applications are required to be MS Office 2007 and compatible, Adobe pdf, and image files (jpeg, tiff, png). The Department reserves the right to reject electronically submitted applications that are in other formats.

Incomplete applications will not be considered for funding.

2.3.2 Obtaining information about the project

In order that RLCIP – Strategic Projects can be assessed for funding by the Australian Government, each proponent will need to provide information about their organisation and the Council. This information includes:

- details of the Council;
- details of the project, including funding arrangements;
- financial information including quotations, cost estimates and budgets;
- project timeframes;
- project delivery information including project and business plans; and
- all statutory and other approvals required if relevant for the project.

Councils will also need to provide authorisation for the Department to undertake an Independent Viability Assessment if necessary.

2.3.3 Assessment of Applications

Based on the information provided, the Department will undertake a risk analysis of the Council to undertake the proposed project.

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Proponent viability

In the risk analysis of the project, consideration will be given to the financial viability of the proponent.

Project viability

Project viability will be considered from two perspectives. Whether the project can be completed on time and within budget, and whether the project will be sustainable.

Important aspects that may be considered in relation to the overall viability of the project include:

- evidence of the Council's expertise/skills to deliver the project, and sustain it into the future.
- ownership and/or lease arrangements of equipment or facilities or other assets to be used in the delivery of the project;
- the level and status (e.g. contribution received; contribution committed but yet to be received; contribution in negotiation) of any of the funding contributions for the project and whether there are conditions attached to this funding;
- the budget and costings;
- feasibility studies or project plans;
- information on whether there is any need for planning approvals or licences and that these requirements have been met or fully considered;
- business and project plans and cash flow projections;
- ongoing maintenance and management strategies;
- funding that may be required for any future stages of the project;
- whether the project had previous stages, how it was funded in the past; and
- the results of any independent viability assessments if undertaken (copies of independent viability assessments undertaken by the Council should be provided).

Independent Viability Assessments

Where the Australian Government believes there are risks with the viability of the proponent or project that require further consideration, an Independent Viability Assessment (IVA) will be undertaken by a qualified external consultant engaged by the Department. The findings of the IVA will be considered in the project analysis.

Ranking applications

The Department will rank applications under three categories:

- recommended;
- not recommended; and
- non-compliant.

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2.4 Approval of Funding

Following the due diligence assessment and ranking of the project by the Department a decision on funding will be sought from the Minister for Infrastructure, Transport, Regional Development and Local Government.

The Minister will consider whether the project is consistent with the requirements of Commonwealth legislation and whether any risk treatments will need to be imposed as a condition of funding, based on risk assessments undertaken.

A letter will be sent to the Council advising whether funding has been approved and if there are any conditions attached to that funding.

Before any funding can be paid, the proponent will need to enter into a Funding Agreement (contract) with the Australian Government that will set out the terms and conditions under which the funding is provided. Proponents should **not** make financial commitments based on notification of funding approval from the Australian Government until the Funding Agreement (contract) has been executed by both parties.

Requests for additional funding from the Australian Government will not be approved. Changes to the partnership arrangements or requests to change the scope of the project that do not involve the provision of additional funding by the Australian Government will be considered.

The Minister for Infrastructure, Transport, Regional Development and Local Government expects to announce successful projects.

3. CONTRACTING AND FUNDING**3.1 Accountability**

The provision of funding for RLCIP- Strategic Projects will be conditional upon proponents entering into Funding Agreements (contracts) with the Commonwealth (represented by the Department of Infrastructure, Transport, Regional Development and Local Government). The Funding Agreement (contract) is a legally enforceable document which defines the obligations of both parties.

3.2 Funding Agreements and Payments

The Department will work with the proponent with the aim of finalising the Funding Agreement (contract) within **4 weeks**. The offer of funding may be withdrawn if the proponent cannot meet these timeframes, has not obtained agreement from the Department to obtain an extension to this timeframe, or if there are significant reasons as to why the project cannot commence.

An indicative Funding Agreement (contract) will be made available on the Department's website so that proponents are aware of the likely format of a Funding Agreement (contract) with the Australian Government.

The executed Funding Agreement (contract) will define the obligations of both parties. It will describe the purpose for which Australian Government funding must be used and will provide a description of how, when and where the project must be delivered.

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Construction must commence within six months of the Funding Agreement (contract) being signed. Funding Agreements (contracts) will be structured to schedule the release of between 25-50% of funds to proponents, depending on the funding amount. On receiving the signed Funding Agreement and a tax invoice the first payment will be made. Prior to payment, confirmation of commencement date of construction must be received. Remaining funds will be paid incrementally depending upon achievement of negotiated milestones.

Action may be taken by the Department to terminate Funding Agreements (contracts) where requirements have not been met.

3.3 Progress Reports

Once funding is confirmed the proponent will be required to actively manage the project.

It is recommended that proponents consider appointing appropriate project management arrangements proportionate to the size and nature of the project.

The Department will monitor the project's progress through reports received under the Funding Agreement (contract) and may conduct site visits.

Annexure A**Examples of Community Infrastructure****Social and cultural infrastructure**

- Town halls
- Community centres
- Libraries
- Local heritage sites
- Museums
- Cultural centres
- Enhancement of main streets and public squares
- Theatre/music/art spaces
- Historic buildings
- Parks and gardens
- Internet kiosk infrastructure
- Kitchens for organisations
- Community market areas

Recreation facilities

- Sports grounds and facilities
- Sports stadiums
- Community recreation spaces
- Playgrounds
- Rail trails
- Swimming pools
- Walking tracks and bicycle paths
- Skate Parks
- BMX/Mountain Bike parks/trails
- Surf lifesaving clubs

Tourism infrastructure

- Convention or trade centres
- Memorial halls/walkways
- Tourism information centres
- Local infrastructure to support or provide access to tourist facilities
- Community public attractions
- Buildings for exhibits

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Children, youth and seniors facilities

- Playgroup centres
- Youth centres
- Scout/guide halls
- Senior citizens' centres

Access facilities

- Disabled access infrastructure
- Footbridges
- Bus/rail terminal upgrade
- Jetties/wharves/piers/pontoons
- Foreshore development
- Boat ramps

Environmental Initiatives

- Water source and treatment
- Drain and sewerage upgrades
- Water conservation infrastructure
- Waste management and processing infrastructure
- Wastewater infrastructure
- Water recycling plants
- Water catchments
- Recycling plants

LEGAL/RESOURCE/FINANCIAL IMPLICATIONS:

Nil.

POLICY IMPLICATIONS:

Nil.

UNDER SEPARATE COVER/FURTHER INFORMATION:

To view any "non confidential" attachments listed below, access the meetings link on Council's website www.tweed.nsw.gov.au or visit Council's offices at Tweed Heads or Murwillumbah (from Friday the week before the meeting) or Council's libraries (from Monday the week of the meeting).

Nil.

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