

Civic Precinct Committee

AGENDA NO. 01/08

Meeting Date: Tuesday, 9 December 2008
Location: Committee Room No. 2, Fifth Floor,
Civic Centre, 1 Devlin Street, Ryde
Time: 5.00pm

NOTICE OF BUSINESS

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1 CITY OF RYDE CIVIC PRECINCT MIXED USE DEVELOPMENT

Report prepared by: Acting Team Leader Strategic Planning and Manager Major Projects

Report dated: 5 December 2008

File No. OGM/08/11/1/1

REPORT SUMMARY

The City of Ryde has a vision to redevelop the Civic Precinct site to deliver a multi function cultural centre, public spaces and Council's administration building within a mixed use precinct. Council aims to ensure that the project is environmentally, economically and socially sustainable. This vision formed the basis of the Draft Ryde Local Environmental Plan (DLEP) 143 planning controls which permitted up to RL130 and 100,000m² on the site.

The DLEP 143 was publicly exhibited in 2006 and was supported by 97% of respondents, 86% of these submissions were in complete support and 11% conditionally supporting the draft Plan. However, in making the Plan the Minister amended the height for the Civic Precinct to be no higher than the existing Civic Centre, commenting that he would reconsider it if a competitive design process was undertaken. The floor space potential remained as exhibited. The draft plan actually contained a clause which mandated a competitive design process for the Civic Precinct site but the Minister must have overlooked this fact, when DLEP 143 was gazetted.

Following gazettal of LEP 143 Council established the Civic Precinct Committee in 2006 consisting of all Councillors to steer the project.

This report aims to bring Councillors up to date with the project history and proposes the next steps including a two stage competitive design process that establishes proponent capacity to deliver the project and requires submissions to demonstrate design excellence with economic and environmental leadership outcomes with clear community benefits while minimising Council risk.

This report recommends that Council

- Confirm the project deliverables and outcomes.
- Develop a two stage competitive design process that manages Council's risk exposure with exit opportunities at milestones.
- Confirm the broad timeframes for delivery of the project.
- Approve a submission to be made to amend the Draft Ryde LEP 2008 to increase the permissible height of the Civic Precinct to RL130 as exhibited in 2006.
- Undertake further notification to the community of the amendment to the Draft Ryde LEP 2008.
- Commence discussions with key NSW Government Departments / Agencies to ensure statutory compliance and gain support.

ITEM 1 (continued)**BACKGROUND****1. Chronology**

There has been a long history of the Civic Centre site redevelopment, a summary in chronological order is provided below.

Date	Event
June 2005	- Councillor workshop to consider future of all Council land in Ryde Town Centre as part of the preparation of DLEP 143.
November 2005	- Councillor workshop to consider future of Civic Precinct. Council expressed a desire to redevelop the site concurrently with the Top Ryde Shopping Centre and deliver community benefits.
October - November 2005	- Public Exhibition DLEP 143 and supporting documents, including an Integrated Traffic Solution that allowed the development potential of the Shopping Centre and Civic Precinct to progress.
December 2005	- Council submitted DLEP 143 to Department of Planning for gazettal.
May 2006	- LEP 143 was gazetted, with amendments to reduce the permissible height from RL130 to RL91 while retaining floor space potential of 100,000m ² . - Civic Precinct Committee established and first meeting held.
May 2007	- Councillor workshop at Civic Precinct Committee
June 2007	- Council resolved to undertake a competitive design process that would permit 20 storey development on the site and re-establish the Civic Precinct Committee.
October 2008	- Workshop to confirm Civic Precinct Committee with new Councillors.
December 2008	- Councillor workshop with results of feasibility study of a cultural facility on the site.
November 2008 – January 2009	- Draft Ryde LEP 2008 on public exhibition.

Further detail of the background and history of this project is provided below.

2. The Civic Precinct Site

The Civic Precinct site is located in Ryde, a transport, residential and retail hub and the third oldest European settlement in NSW. Situated midway between Sydney and Parramatta, and just 30 minutes travel in either direction, the site has excellent access north-south along Lane Cove Road and east-west along Victoria Road. A heavy rail station is located at West Ryde about 1.5km distant. Sydney Ferries operate a service to the City and Parramatta from Meadowbank Wharf. A main State Transit Authority bus depot is also located on Buffalo Road, Ryde.

The site (16,350m²) contains the Ryde Civic Centre, two car parks, road and undeveloped land bounded by Parkes Street, Devlin and Blaxland Roads. A map of the site and Ryde Town Centre Precinct map is **ATTACHED**.

ITEM 1 (continued)

The site is located on the ridgeline that separates the Lane Cove and Parramatta River catchments and commands spectacular 360° views of the Sydney metropolitan basin with views of Sydney CBD, Chatswood, Olympic Park, the airport, Parramatta and the Blue Mountains.

To allow the increased development potential of the Civic Precinct site an Integrated Traffic Solution is being built which includes three spurs into the site, two pedestrian linkages and significant changes to the road network at grade.

3. Ryde Civic Centre

Ryde Civic Centre is not heritage listed but has been a prominent building for 45 years renowned for its visual impact on the ridgeline, rather than its architectural quality. However, with the redevelopment of the Top Ryde Shopping Centre to 17 storeys, the Ryde Civic Centre will lose its visual prominence.

Completed in 1964, Ryde Civic Centre was one of a number of municipal buildings constructed in the 60s. The building floor plate is approximately 400m², over eight levels with a total floor space of approximately 3,000m².

The Civic Centre has come to the end of its useful life with major service and functionality issues. Most office buildings are said to have a maximum life of 50 years before needing replacement or significant capital input and renovation to remain fit-for-purpose.

Ryde Development Control Plan (DCP) adopted in 2006, states that the Civic Centre *'.. no longer provides the scale and amenity required of a modern functional Civic building. It is constrained by a lack of sizeable floor space and is rapidly approaching the end of its useful life. Reports reflecting maintenance issues and the state of repair would indicate that Council will shortly need to assess the merits of continuing to occupy the building in its current form as against redeveloping the site into more modern and efficient accommodation. There is no requirement to maintain and upgrade the existing structures, but consideration may be given to retaining some existing footprints. It would be the intention of Council to demolish the existing Civic Centre and any redevelopment of the Civic Centre should envisage a landmark building(s) achieving a minimum 4.0 Greenstar rating comprising mixed use cultural, civic, retail, commercial and residential.'*

4. Council's Vision for a Mixed Use Civic Precinct

The Ryde Town Centre LEP 143 was prepared over a two year period commencing in 2004. Council is the largest landholder in the Ryde Town Centre with more than 80,000m².

Councillors contributed to the preparation and adopted the LEP and defined a vision for the future of the Civic Precinct in workshops held in June and November 2005. Council indicated that it wished to leverage off its landholdings to deliver community benefit both in the form of an income stream / funding and new community facilities, while retaining an asset.

ITEM 1 (continued)

To achieve these aims Council saw the merit in redeveloping the Civic Precinct site to not only keep pace with the Shopping Centre redevelopment which will be 17 storeys, but to retain an iconic status as a landmark building. As a result LEP 143 was prepared on the basis of the Civic Precinct being redeveloped with one or more buildings up to RL 130 subject to a competitive design process and up to 100,000m² permissible floor space.

5. Community and Stakeholder Feedback

LEP 143 was publicly exhibited and subsequently adopted by Council in December 2005 on the basis of significant community and stakeholder support. 97% of submissions to the LEP expressed complete or conditional support for the plan and 3% were negative.

No objections were raised to the proposed maximum development potential of the Civic Precinct site or the Top Ryde Shopping Centre. In particular, several key stakeholders including Ryde Chamber of Commerce gave full support to the LEP.

The Roads and Traffic Authority (RTA) was a partner to the preparation of the planning controls and approved and adopted the Ryde Town Centre Integrated Traffic Solution. This study planned for the maximum floor space potential and car parking numbers of the Civic Precinct site within Ryde Town Centre.

6. A Competitive Design Process

When the Ryde Town Centre LEP 143 was legislated in May 2006 the Minister for Planning wrote to Council advising that he had amended the LEP to reduce the height limits for the Civic Precinct from twenty storeys to a maximum ten storeys and no higher than the top of the existing Civic Centre (RL 91 AHD), whilst still allowing up to 100,000m² on the site. The Minister advised that he would reconsider this decision if the future development of the Civic Centre site was the subject to a "competitive design process".

Although the heights for the Civic Precinct were not approved, the Minister clearly considered the proposed floor space of 100,000m² achievable and supported redevelopment that included well designed buildings.

The Minister did not amend the shopping centre site heights of up to 17 storeys. When complete, the Top Ryde shopping centre will dwarf Council's Civic Centre, which will lose its iconic landmark status as a result.

7. LEP 143 Outcomes***Top Ryde Shopping Centre***

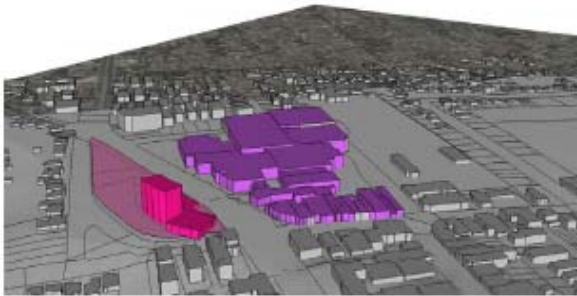
The Top Ryde Shopping Centre redevelopment will be the catalyst for the revitalisation of Ryde Town Centre. It will create more than 4,000 new jobs and a focal point for local and regional communities.

ITEM 1 (continued)

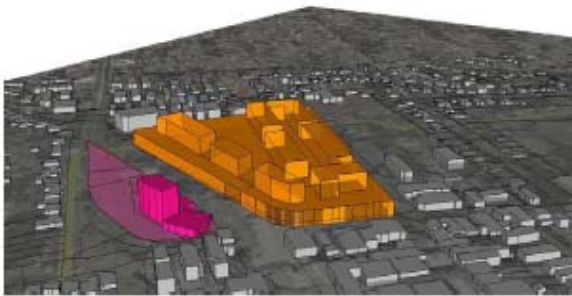
The \$1.2 billion Shopping Centre Development Application was for 150,000m² mixed-use development including civic space, apartments, offices, cinemas, supermarkets, diverse retail space and alfresco dining.

LEP 143 requires the shopping centre redevelopment to incorporate childcare, public transport facilities, civic space of 2700m² net usable floor area (approximately 3,200 – 3,300m² gross floor area), a 2000m² public plaza, a 10m wide pedestrian street running the full length of the block, two footbridges over Devlin Street, a number of tunnels under Devlin Street and significant changes to the road network at grade.

City of Ryde civic space in the Shopping Centre will feature an accessible, shop-front style customer service centre, multi-purpose administration space and a public library. Completion of the Shopping Centre and handover of civic space is anticipated in the second half of 2010.



Existing Built Form structure within Ryde Town Centre



Proposed built form strategy in Precinct 2

Total value of benefits arising to Council from the Shopping Centre redevelopment is estimated to be \$105 million made up of:

- Integrated Traffic Solution (\$60 million).
- Stratum sale (\$20 million).
- CoR centre construction and stratum lot (\$20 million).
- Car parking (\$1.5 million).
- Public domain upgrades (\$3.5 million).

Council's challenge will be to use the shopping centre redevelopment as a catalyst to attract further investment and employment to Ryde and to excite interest in the competitive design process and the urban renewal of the entire Ryde Town Centre, but in particular the Civic Precinct redevelopment.

Infrastructure to Support the Civic Precinct Redevelopment

New infrastructure to support the Civic Precinct is presently being constructed. The Ryde Town Centre Integrated Traffic Solution is now being implemented as part of the shopping centre redevelopment. As a consequence the transport infrastructure needed to support redevelopment of the Civic Precinct will be in place by mid 2012. This includes:

- Traffic lights and the reconfiguration of the Devlin / Parkes Street intersection.
- Pedestrian footbridges.

ITEM 1 (continued)

- Vehicular access ramps to take cars directly from Devlin Street into and out of the Civic Precinct.
- Zone electricity substation.

In addition, reconfiguration of the Victoria / Blaxland Road intersection, the introduction of bus priority and new streetscape works adjacent Ryde Park undertaken by Council and the RTA are now complete.

Substantial improvements to Ryde Park have been completed. This park will meet the recreation needs of planned Ryde Town Centre residential and worker growth. Major public domain improvements are progressing also.

The major infrastructure needed to support the Civic Precinct redevelopment will be completed by 2012.

8 Leadership and Excellence

Planning Institute Australia New South Wales Division awarded the City of Ryde Urban Design Achievement 2007 for Ryde Town Centre Urban Renewal Project. Council has established a project which is recognised as best industry practice in the property industry.

9 Council Resolutions

As a result of the Minister for Planning's amendment to the LEP to reduce possible height of the Civic Precinct site and stating that he was '*open to re-considering higher buildings in this prominent location through a LEP amendment. Any such LEP would need to be the result of Council undertaking a mandatory competitive design process for the site. The draft plan will need to demonstrate that design excellence will be achieved at this visually significant location.*', Council at its meeting on 5 June 2007 resolved the following:

- a) That a competitive design process for the Civic Centre Site identified as the Civic Mixed Use Precinct (Precinct 1) in Local Environmental Plan 143 be endorsed.*
- b) That the competitive design process includes a proposed height limit for the Civic Mixed Use Precinct that will permit 20 storey development on parts of the site.*
- c) That the competitive design process aims are to demonstrate Council's commitment to design excellence and:*
 - i. Environmentally and water sensitive design which is equal to or exceeds a 5 Green Star rating;*
 - ii. Realise community benefits such as a new 21st century Civic Hall and new accessible public domain spaces for prominence, relaxation, recreation and leisure;*
 - iii. Transparent governance and community engagement; and*
 - iv. Responsible management of public resources and assets.*

ITEM 1 (continued)

- d) *That the Civic Precinct Committee be re-established to act as the steering committee for the competitive design process.*
- e) *That the General Manager be delegated authority to make representations to the NSW Premier, The Deputy Premier and Local Member and the NSW Minister for Planning to seek comments, involvement and endorsement for a competitive design process for the Civic Centre site.*
- f) *That the General Manager be delegated authority to establish a project team to manage the competitive design process.*
- g) *That the General Manager be authorised to negotiate with the owners of the Brad Garlick site, corner of Victoria Road and Blaxland Road, on the possible inclusion of that site in the design competition process.*
- h) *That a further report be submitted to Council regarding:*
 - i. *The outcomes of representations to the NSW Premier, The Deputy Premier and Local Member and the New South Wales Minister for Planning;*
 - ii. *Project resourcing requirements such as budget;*
 - iii. *Further details around the framework of a proposed competitive design process; and.*
 - iv. *Details of the negotiations with the owners of the Brad Garlick site.*

REPORT**10 Competitive Design Process - Considerations**

A Civic Precinct site study concluded that development based upon the permissible height and floor space planning controls would cover most of the site with a ten storey building, leaving inadequate space for a viable public domain that could support events, recreation and leisure activities and would not achieve design excellence.

This outcome would be contrary to Council's vision to create an attractive, vibrant Ryde Town Centre that is a hub for local communities. It was recommended that it was more appropriate to create a "heartbeat" silhouette or modulated skyline for the iconic Civic Centre site. This will also contribute to a distinctive "identity" and marketability as a residential and employment hub.

The State Government requires councils to convert existing planning controls in a standardised format. Draft Ryde LEP 2008 translates the existing LEP 143 planning controls into the standard format and is on exhibition from November 2008 to January 2009. This provides an opportunity for Council to revisit the height constraints imposed by the previous Minister for Planning and make a submission to the Draft Ryde LEP 2008 to increase the height for the Civic Precinct site.

A recommendation of this report is that Council prepares and exhibits a submission to the Draft Ryde LEP 2008 to have a height limit of RL130 AHD reinstated. (This will be subject to a separate report to Council on 9 December 2008).

ITEM 1 (continued)

Council was approached by the owners of the Brad Garlick site to increase height controls. At the 5 June 2007 Council meeting, Council resolved that the General Manager liaise with the owners of the Brad Garlick site for possible inclusion into the competitive design process as a means to amend the planning controls.

The General Manager met with the owners who were keen for their site to be included, however it was felt that it would not be appropriate to include the Brad Garlick site in the Civic Precinct competitive design process because the objectives of the two landowners are very different. The owners of the Brad Garlick site wish to realise a commercial outcome while Council is committed to social and governance outcomes including:

- Environmental sustainability which is equal to or exceeds a 5 Greenstar rating.
- Realise community benefits such as a multi-purpose cultural facility.
- New accessible public domain spaces to meet recreation and leisure needs.
- Transparent governance and community engagement.
- Responsible management of public resources and assets.

It is suggested that the owners of the Brad Garlick site independently investigate their options.

11 Competitive Design Process - Proposed Outcomes***Community benefit***

Expanded and improved public domain space and community facilities that will serve a range of community groups, including youth and seniors, such as a 21st century cultural facility.

Design excellence

The competitive design process will ensure that the greatest opportunity is created for design excellence by:

- Setting minimum requirements for public domain spaces and built forms.
- Providing flexible design criteria that allows 20 storeys.
- Achieve a 5 Greenstar rating.
- Ensure there are iconic rooftop architectural features and articulation in the built form.
- Sympathetic and innovative responses to the environmental context such as the nearby residential development and heritage items.

Environmental sustainability

Implement ecological design principles with stretch targets for energy and water conservation and achieving a 5 Greenstar rating.

Innovation and technology

Develop “smart” buildings that are capable of adaptation over time to accommodate technological advances and meet changing community needs.

ITEM 1 (continued)***Governance and leadership***

Responsibly manage Council assets and value capture City of Ryde equity to create community benefit. Develop and undertake transparent and open governance processes and manage risk appropriately.

12 Competitive Design Process - Proposed Deliverables

The proposed deliverables of a competitive design process are as follows:

- a) Amended LEP 143 and other planning controls.
- b) A Master Plan that will establish design principles for the Civic Precinct site.
- c) A project methodology that facilitates positive publicity and community support / stakeholder buy-in.
- d) Leverage off the redevelopment of the Civic Precinct site to realise community facilities and funding.
- e) Identify the preferred private partners to work with Council.
- f) Practicable and financially viable development.
- g) Demonstrate Council's commitment to environmentally sensitive design.
- h) Responsible asset management that responds to community needs.
- i) Risk minimisation for Council in accordance with the various Government statutes.
- j) Value-for-money in the form of practicable designs that can be implemented.
- k) Transparency and probity.

The draft methodology has been designed to assist in meeting these deliverables.

13 Competitive Design Process – Proposed Spatial Break Down

The following table outlines the spatial breakdown of the Civic Precinct site redevelopment. This table reflects Council's vision for mixed use on the site and is informed by a feasibility study for a cultural facility in Ryde Town Centre. The uses and floor space allocations in the table have been identified as a result of the various studies (retail study, traffic management study, cultural centre, etc) that were done as part of DLEP143, the Development Application lodged for the Shopping Centre and separately by Council.

The City of Ryde engaged leading architects Hassell to undertake a feasibility study for a cultural facility in Ryde Town Centre. After considering several sites, this study recommended a multi-purpose facility be located within the Civic Precinct site redevelopment. This feasibility study was presented to Council at a Councillor Workshop on 2 December 2008.

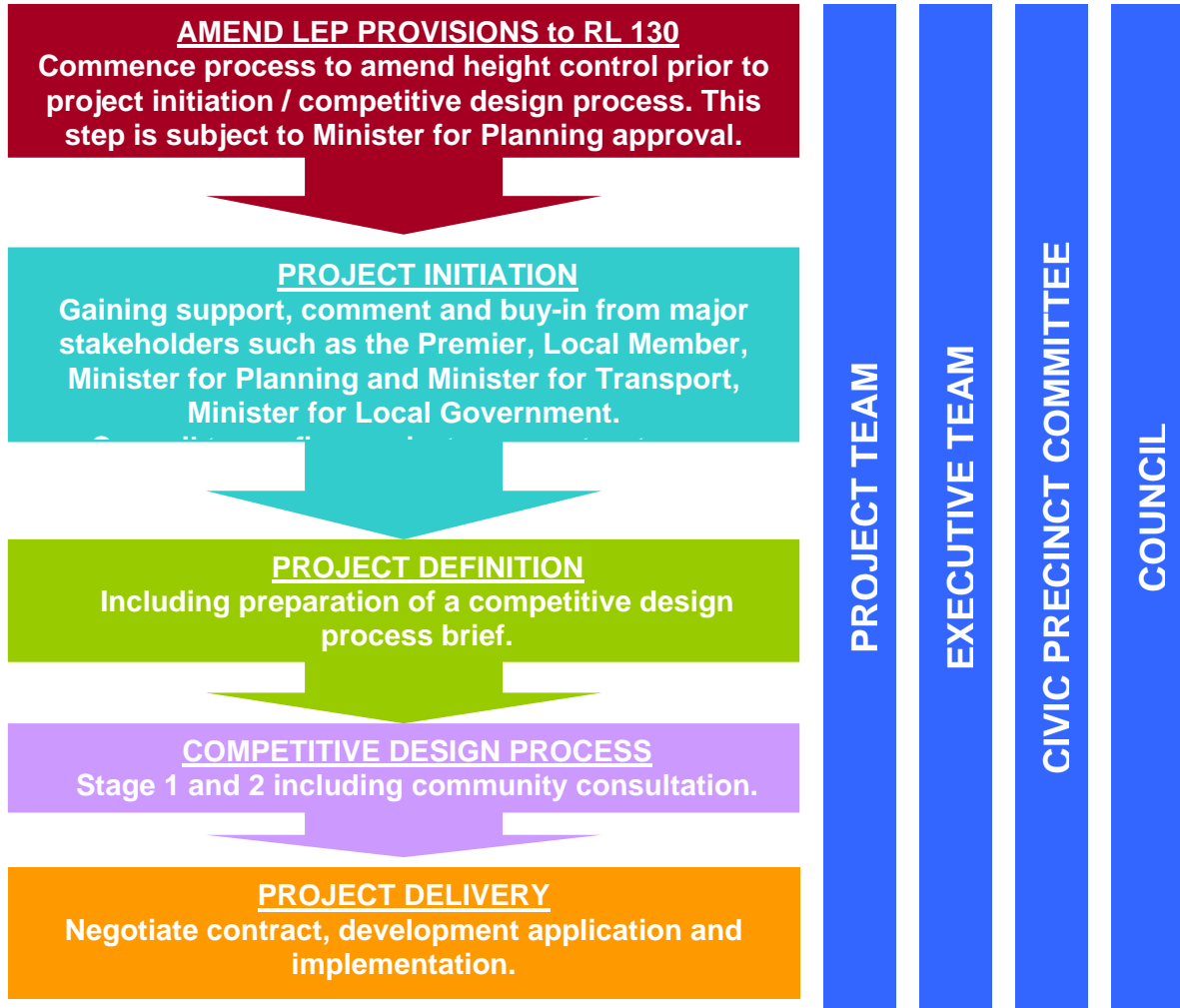
ITEM 1 (continued)

Use	Size	Character
Community space	4,500m ²	- Multi-purpose arts centre capable of hosting cultural / community events, exhibitions etc.
Public domain	5,000m ²	- Includes shared access roads and open space. - Open space should be robust durable and capable of hosting events.
Retail	Up to 20,000m ²	- Must contribute to the revitalisation of Ryde Town Centre and complement community and civic activities, be vibrant and inclusive.
Lifestyle space	Up to 10,000m ²	- Must cater for residents and workers and may include child care, gymnasium, restaurants etc.
Commercial space	10 - 40,000m ²	- Office space would house City of Ryde and other government agencies. - These offices must express Council's ideals including accessible, open governance, proper fiscal management and affordable and practicable ESD.
Residential	Balance of permissible space	- Sustainable residential development.
Parking	2,500 spaces approximately	- Approved Integrated Traffic Solution.

ITEM 1 (continued)

Competitive Design Process - Project Structure Overview

The Council report of the 5 June 2007 outlined a structure for the competitive design process. The step 'amend the LEP' is critical for the project to commence to reduce timeframes / costs and enhance planning certainty for the competitive design process.



14 Competitive Design Process - Proposed Methodology

Given that Council has already developed a vision for the site, the competitive design process can focus on practical outcomes and delivery. It is important to base the competitive design process on frameworks that have demonstrated industry acceptance, attracted appropriate industry partners, delivered community benefits, effectively manages risk and ensures good governance. A suitably structured competitive design process will attract experienced development proponents who will expend substantial budgetary resources to prepare a high quality submission.

The Civic Precinct is the object of considerable community connection and ownership and it will therefore be important for the City of Ryde to deliver on community expectations created by any competitive design process or risk community backlash. The timing of key decisions should also be cognisant of political timetables for State and Council elections.

ITEM 1 (continued)

It is crucial to manage risk to ensure that the outcome of a competitive design process is a commercially viable and deliverable scheme that realises Council's vision to achieve community facilities leveraged off a mixed-use redevelopment of the Civic Precinct.

A staged process offers the best opportunity for Council to maximise both design and financial outcomes including delivery of cost neutral community facilities and an income stream whilst retaining / replacing assets.

Stage 1

Stage 1 aims to short-list two / three finalists to proceed to stage 2. Stage 1 will be open to consortia that will be required to demonstrate their capability to undertake the project as follows:

- Identify team composition (e.g. design team, financiers, traffic experts, and construction entity and cornerstone tenants).
- Demonstrate the experience and prominence of team members in comparable projects.
- Demonstrate the experience and prominence of proponent entities (e.g. companies) to undertake the project.
- Outline the nature and structure of each proponent and where appropriate the relationship of parties in any joint bid.
- Outline the financial capacity of the parties to undertake the project.
- Proof of ability to deliver on project timetable.
- Demonstrate the risk profile for Council associated with their proposal.
- Conceptual design and business case.
- Proposed benefits / costs for Council.

Stage 2

The City of Ryde cannot offer prize monies that will cover the costs (anticipated to be up to \$2 million for each proponent) of preparing a high quality stage 2 submission. In order to attract the standard of submissions required for this site the key prize will need to be preferred partner status for the redevelopment of the Civic Precinct site. The unsuccessful short listed consortia should be recognised with prize money of \$50,000.

Stage 2 respondents will be required to address detailed brief/s and submit the following (at minimum):

- Concept design, design statement and detailed designs (exhibition quality drawings, 3D and physical model and a design report detailing how the criteria are met or exceeded and any details of non compliance).
- Implementation plan including delivery timeframes for community facilities and other elements of the proposal.
- Business plan including feasibility and financial models.
- Social impact statement.
- Community benefit statement, including income returns to City of Ryde and performance specification for Council offices and multi-purpose cultural facility.
- Environmental design statement.

ITEM 1 (continued)

- Financial certification of having funds available to deliver the development.
- Compliance with all statutes, best practice and governance obligations.
- Documentation that demonstrates compliance with City of Ryde planning instruments.
- Details of community engagement strategies.
- Draft contract that the consortium expects Council to enter into.
- Appropriate security to Council to guarantee delivery of the development within the agreed timeframes.

The outcome of this two staged process is the selection of a preferred partner. This will then be followed by negotiations between Council and the preferred partner regarding the redevelopment of the site. Successful negotiations will result in a contractual arrangement to redevelop the Civic Precinct site. A Development Application will then be submitted by the preferred partner for the consent to redevelop the Civic Precinct site.

The proposed methodology is structured to protect and manage Council's risk with exit opportunities at key milestones and to ensure that Council's financial risk exposure is effectively transferred to the private sector.

15 Competitive Design Process – Council's role

Council will have several roles including client, landowner and final decision maker. Council will require expert advice during the competitive design process, particularly in the areas of legal and finance.

It is proposed the competitive design process is made up of a panel of prominent experts reflecting the selection criteria from the disciplines of land economics, financial management, legal, traffic management, sustainable design and architectural/urban design. It will be important for Council to select this expert evaluation panel whose reputation and standing can add to the prestige of the competition and reduce the likelihood of dispute with the outcomes. Panel members should be pre-eminent in their field.

It is anticipated key stakeholders and strategic partners such as the Department of Planning, Department of Local Government, the Green Building Council, the Property Council of Australia, City of Ryde staff and other external consultants will also advise Council.

Council's role as the client will require decisions to proceed or exit the project at key milestones. It must be highlighted that conducting this competitive design process by Council will result in a preferred partner to redevelop the Civic Precinct site.

ITEM 1 (continued)**16 Competitive Design Process - Business Case**

It is forecast that a 100,000m² mixed use project on the Civic Precinct site will have a completed value of works of approximately \$700 million. An industry guide for the management and other fees necessary to put together such a project in a professional manner are in the order of 1.5% or approximately \$10 million spread over six years. Preliminary estimates of the value of Council's deliverables at the completion of the project will be in the order of \$117 million.

Item	Construction Costs
Cultural centre (4,500m ²) and stratum lot	\$22.5 million
Council office space (7,500m ²) and stratum lot	\$37.5 million
Retail space (5,000m ²) and stratum lot	\$25 million
Parking (250 spaces)	\$10 million
Public domain infrastructure upgrades (roads, bridges, spurs, open space and public domain furniture / finishes) (5,000m ²) and stratum lot	\$22 million
Preliminary Completed Value of Council's Assets	\$117 million
Less	
Project management costs	\$10 million
Civic precinct land value	\$17 million
NET Return to Council	\$90 million

It should be noted on these figures Council will own 17,000m² of built floor space, 250 car spaces plus the public domain. The private partner would own 83,000m² of built floor space and 2,250 car spaces.

These figures are conceptual only and must be tested by detailed feasibility studies, should Council determine to move ahead. The market will ultimately decide on the value it will prescribe to the project.

The 08/09 budget has an allocation of \$500,000 and the Civic Precinct Reserve currently has a further \$8,663,937 to fund this project if Council decides to proceed.

17 Competitive Design Process – Governance Framework

The development of appropriate governance processes and systems for this redevelopment is crucial to ensure transparency equity and probity. As it is likely that the competitive design process will result in a Public Private Partnership (PPP) between Council and a private sector entity it will be necessary to comply with the appropriate legislation.

ITEM 1 (continued)

Council will ensure compliance with State Government guidelines for governance of the Civic Precinct redevelopment, particularly Local Government Amendment Public-Private Partnerships, the Department of Local Government (DLG) Guidelines on the Procedures and Processes to be followed by Local Government in Public-Private Partnerships and the DLG Draft Guidelines for Capital Expenditure Projects, and is **CIRCULATED UNDER SEPARATE COVER.**

The City of Ryde is one of the few councils in Australia that has successful experience in overseeing and delivering on Public Private Partnerships. It should be noted however these skills reside with a very small group of staff.

Legislation

The experience of other councils has highlighted the importance of appropriate governance and probity particularly in relation to PPP's. The City of Ryde must be fair, open and demonstrate the highest levels of integrity consistent with the public interest. The Local Government Amendment Public-Private Partnerships, the DLG Guidelines on the Procedures and Processes to be followed by Local Government in Public-Private Partnerships and the DLG Draft Guidelines for Capital Expenditure Projects will be used as the basis for the governance framework for this project.

In its commercial dealings, City of Ryde must observe the highest standards of probity and City of Ryde staff, Councillors and consultants should understand and apply the following principles to guide the project.

Fairness and impartially

Open and competitive processes are an important stepping-stone in achieving value for money. During the project initiation and definition phases, market testing can facilitate in finding out whether a service can be carried out more effectively and efficiently. To ensure value for money Council will also seek permission to utilise State Government preferred supplier lists for services such as probity and legal advice.

During the competitive design process itself proponents are to be treated equally and must have the same opportunity to access information and advice. All expression of interests and competitive design processes will meet Council's tendering policies and protocols.

Consistency and transparency of process

If fairness and impartiality are not apparent and suppliers perceive there is a problem with the process, they may think twice about making a submission. As a result, competition will be lessened and the best deal may not be achieved. Transparency will be increased by informing proponents of the assessment process, appointing a probity adviser and maintaining adequate process documentation.

ITEM 1 (continued)***Maintaining security and confidentiality***

A significant quantity of confidential information is generated through this project, particularly as a result of the selection process. Procedures must be implemented to ensure that no unauthorised release of confidential information occurs. The processes adopted for receiving and managing information are to ensure the security and confidentiality of intellectual property, commercial, proprietary information or otherwise sensitive information.

If Council resolves to proceed with the project it is proposed to establish the project team in the Civic Centre, level 5 meeting room 1 to ensure that document control and confidentiality can be assured.

Identification and resolution of conflicts of interest

Conflicts of interest arise when persons are influenced, or appear to be influenced by personal interest when doing their job. It is therefore likely to result in a lesser standard of service delivery and can create the perception of such. Any person involved in the competitive design process is to declare any actual or perceived conflict of interest which may compromise their position and City of Ryde will make a decision on the matter.

Accountability

Focusing on accountability and probity need not be at the expense of effective outcomes and value for money. Appropriate accountability mechanisms will result in decreased opportunities for corruption. Public sector accountability requirements are intended to save money, resources and time in the long term and prevent corruption, maladministration and substantial waste of public resources. As such the level of accountability will add to the integrity of the project.

Monitoring and evaluating performance

Performance evaluation is an important prerequisite for determining whether value for money will be obtained as an outcome of the competitive design process. It is important to specify explicit, objective and measurable performance indicators before the commencement of the competitive design process.

Confidentiality

This section applies to all information that may be proprietary information, commercial in confidence or related to the selection process. For the purposes of this plan such information will be called commercial information. It should be noted there will be information that can not be provided to Councillors during the project to ensure probity and equity.

In general terms City of Ryde must assess each document and piece of information gathered in connection with the competitive design process against its obligations under Section 12 of the Local Government Act, the Freedom of Information Act 1989 and the Privacy Personal Information Protection Act.

ITEM 1 (continued)**18 Community Engagement**

The competitive design process must engage community and stakeholders. It is essential for the success of the project to obtain community and stakeholder buy-in and build strategic alliances.

It will be necessary to address a range of considerations through a detailed communication and engagement strategy which will follow the *'Your City, Your Voice'* policy and framework. This will detail:

- How, when and where information should be made available.
- The political context, including timing for competition and impacts on the process of local, state and federal elections.
- Strategic alliances ensuring State Government and other stakeholder buy-in.
- Create positive perceptions of Ryde Town Centre and engage the community and other stakeholders.
- Create perceptions of City of Ryde as a professional organisation that investors and development professionals can work with.
- Outline events programs including information briefings, announcements etc.
- Establish the project identity / branding as expressed in website, brochures, media releases, advertisements and other marketing material.

There should be a range of strategies utilised to engage a large number of residents and other stakeholders throughout this project.

This project will also need to engage key external stakeholders such as government departments and agencies. As resolved by Council, the General Manager wrote to a number of Ministers in June 2007 to seek comments, their involvement and endorsement for a competitive design process for the Civic Precinct site. There seems to have been no formal response received. As new Ministers are now in these positions it is suggested that Council write to the current Ministers to seek their comment, support and recommence their engagement with the Civic Precinct site redevelopment.

19 Project Outline

Before the project starts an amendment to the height provision to the Draft Ryde LEP 2008 for the Civic Precinct site of RL91 to RL130 is required. As the Draft Ryde LEP 2008 comes off notification in early 2009 and will be considered by Council in March 2009 it is an amendment to this LEP is initiated and a submission is lodged by Council as a landowner seeking to amend the height control of the Civic Precinct site.

It is anticipated that the project will take six years to get to a stage of commencing construction. An outline of the project is provided below and it is important to note that some activities occur concurrently.

ITEM 1 (continued)**Project Outline**

Phase 1 – PROJECT INITIATION Commence April 2009	
a) Council confirm project scope, structure, delivery framework and resources	
b) Confirm NSW commitment and support for the project (commence discussions with NSW Departments of State and Regional Development, Planning, Premiers etc)	
c) Obtain feedback from ICAC and NSW Department of Local Government regarding proposed process	
d) Establish team and project resourcing	
Phase 1 Timeframe	12 weeks
Cumulative Project Timeframe	12 weeks

Decision Point - Council sign-off to proceed required

Phase 2 - PROJECT DEFINITION Commence July 2009	
e) Prepare brief for the comprehensive development of the Civic Centre site	
f) Engage probity legal and feasibility advisors / industry advisor (shadow proponent)	
g) Prepare community and stakeholder engagement plan	
h) Prepare project program	
i) Establish alliances with stakeholders such as the NSW Government	
j) Council research visit to comparable projects	
k) Prepare advertising and project material such as website, brief documents, press release etc.	
Phase 2 Timeframe	39 weeks
Cumulative Project Timeframe	51 weeks

Decision Point - Council sign-off to proceed required

Phase 3 - COMPETITIVE DESIGN PROCESS (Stage 1) Commence April 2010	
l) Market call – announce competition, advertising and marketing campaign tailored to project	
m) Respondents prepare submissions to establish capability to undertake project as detailed previously	
n) Shortlist proponents to proceed to stage 2	
Phase 3 Timeframe	18 weeks
Cumulative Project Timeframe	69 weeks

ITEM 1 (continued)**Decision Point - Council sign-off to proceed required**

Phase 4 - COMPETITIVE DESIGN PROCESS (Stage 2) Commence August 2010	
o) Commence stage 2 with release of detailed briefs to shortlisted proponents	
p) Proponents prepare and submit concept designs and supporting business case, design statements, sustainability statements etc	
q) Evaluation panel makes a recommendation to Council	
r) Council selects preferred partner and competitive design process winning scheme	
s) Announce winner / public exhibition of preferred design	
Phase 4 Timeframe	35 weeks
Cumulative Project Timeframe	104 weeks

Decision Point - Council to appoint preferred partner to redevelop the Civic Precinct site. Once Council decides to proceed here, Council will be bound legally to proceed.

Phase 5 - PROJECT DELIVERY Commence April 2011	
t) Contractual negotiations undertaken (contract signed October 2011)	
u) Detailed design developed	
Phase 5 Timeframe	96 weeks
Cumulative Project Timeframe	200 weeks
Phase 6 – PREFERRED PROJECT DEVELOPMENT PLANNING Commence January 2013	
v) Development application lodged (January 2013)	
w) Public exhibition of development application and assessment	
x) Development Consent issued (December 2013)	
y) Construction certificate obtained (December 2014)	
Phase 6 Timeframe	112 weeks
Cumulative Project Timeframe	312 weeks (6 years)
Phase 7 - PROJECT CONSTRUCTION Commence April 2015	
z) Commence construction (April 2015)	
Unable to estimate construction timetable at this point in time	

20 Project Resourcing - Civic Precinct Committee

Council has established the Civic Precinct Committee as a standing Committee of Council. This Committee consists of all Councillors and acts as a steering body for the redevelopment of the Civic Precinct site.

The incoming Council has resolved to continue the Civic Precinct Committee and membership includes the whole of Council. The Committee will be the steering body for the redevelopment of the Civic Precinct site.

ITEM 1 (continued)

It is intended that the Committee meet every quarter, with the next meeting suggested to occur in April 2009 if the amendment to the height controls for the Civic Precinct site are approved.

21 Project Resourcing - Proposed Project Team

Council's Executive Team will be the project control group. A project team, with demonstrated experience in the delivery of government projects, probity and knowledge of the construction and development sector and experience with Public Private Partnerships must be established to deliver the project.

The structure below is based on the assumption that staff from across Council will provide expertise as required to support the project team. In addition, specialist consultants will be engaged as required and also once the project builds momentum there may be a requirement for further staff.

Consultant advice may be sought for the following:

- Preparation of the competition brief, as it will be necessary to engage consultants to provide technical input.
- Preparation of the strategic brief for Council's offices (a draft strategic brief for a multi-purpose cultural facility has been prepared).
- Preparation of an engagement plan to inform and consult the community and stakeholders throughout the life of the project.
- Preparation of a communication strategy and marketing plan, with the aim of attracting investment to Ryde and obtaining stakeholder buy-in from the community state government and development sector.
- Preparation of a probity plan by recognised probity advisors.
- Legal analysis, contract drafting and negotiations.
- Governance obligations required under statutes.
- Financial analysis and strategy.

It is proposed the project team will be accommodated in meeting room one on level 5 of the Civic Centre building, which will provide a suitable confidential and lockable space for the project.

ITEM 1 (continued)**22 Project Resourcing - Proposed Budget**

The proposed budget for the Civic Precinct project is \$10 million over six years. The present budget for 08/09 is \$500,000 and \$8,663,937 is allocated in the Civic Precinct Reserve. Depending on the decision of Council funds will be requested as part of the management planning process.

23 Consultation

Consultation has occurred with Councillors on this matter over the last two years through workshops and reports to Council. Other consultation has occurred with the internal service units and the community as part of the DLEP 143 process.

As outlined previously the key to the success of this project will rely on effective engagement of the Ryde community and other stakeholders throughout the life of the project. However, the first steps will be to amend the height provisions for the Civic Precinct site from RL91 to RL130.

Further information on engagement is provided in section 20.

24 Critical Dates

See previous timetable outlined in section 21.

ITEM 1 (continued)**25 Management Plan Budget / Linkages**

This project has been identified and funds allocated in the 2008/2009 budget as adopted in the Management Plan 2008-2012.

Relationship to Key Outcome AreasPeople

This project meets the following **key outcomes** for People (set out on page 46 of the Management Plan 2008-2012):

- P1 A vibrant city that is economically strong and engages its community through cultural and social activities.
- P2 A city that plans for people by involving them in decision making to improve their quality of life.
- P3 A harmonious community through a culturally enriched and respectful society.

This project will engage the community throughout the process using the 'Your City, Your Voice' model of engagement as the basis providing the community with a range of opportunities to have their say.

The Civic Precinct redevelopment will deliver a wide range of community benefits, in particular, a cultural facility and public domain improvements. These spaces will enable the current and any future community to engage in activities that support the cultural fabric of the area and create the connections with one another through shared activities and experiences.

Assets

This project meets the following **key outcomes** for Assets (set out on page 56 of the Management Plan 2008-2012):

- A1 Well designed streets and paths where motorists, cyclists and pedestrians feel safe.
- A2 Well designed places and spaces that minimise personal harm and where people interact with each other.
- A3 A high standard of visual appearance for our infrastructure, built environment and public areas.

By undertaking a competitive design process Council will create a built environment that is attractive, innovative and functional based on best practice. The Civic Precinct site will provide safe, accessible and inclusive public spaces. Through this redevelopment Council's assets will be better managed and environmentally responsible.

Environment

This project meets the following **key outcomes** for Environment (set out on page 67 of the Management Plan 2008-2012):

- E1 Clean air through better integrated transport systems.
- E6 Sustainable practices in buildings, waste management, transport, energy systems and water use.

ITEM 1 (continued)

The redevelopment of the Civic Precinct site will be based on environmentally sustainable and supportive practices in the development of both buildings and public spaces and will achieve a 5 Greenstar rating.

The Integrated Traffic Solution will also assist in creating a more effective and safer town centre for the community.

**Governance**

This project meets the following **key outcomes** for Governance (set out on page 75 of the Management Plan 2008-2012):

- G1 Improved awareness and understanding of Council's decisions by the community.
- G2 Members of the community are engaged in democratic decision making.
- G3 Review of best practice approaches on Governance to enhance the delivery of services to the community.
- G5 Compliance with all legislative requirements and statutory obligations.

This project will have a clear and robust governance framework to ensure the transparency and accountability of all involved. This framework includes adherence to relevant statutes, in particular that of Public Private Partnerships and the Department of Local Government Capital Works Guidelines.

Through utilising the '*Your City, Your Voice*' model of engagement the community will be provided with an active voice throughout the life of this project.

26 Financial Impact

See previous financial information outlined in section 18. The investment required would be approximately \$10 million (project costs), the land value of \$17 million with a potential completed value of works return of \$117 million and a net completed value of assets in the vicinity of \$90 million.

This project is provided for in the current budget (08/09) and within each year of the Management Plan 2008 - 2012.

As this project evolves a more detailed budget will be presented to Council.

27 Policy Implications

Council would need to amend the height controls on the Civic Precinct site through the Draft Ryde LEP 2008.

28 Other Options

The Civic Precinct is a trophy site with exceptional views, access and development potential. Council has prepared for the project by implementing supporting infrastructure such as vehicular access and utilities upgrades. A number of studies have already been completed which guide the project. The project is ideally suited to a competitive design process. Council has also established a Civic Precinct Reserve and a 08/09 budget allocation of \$500,000 with total funds available of \$9,163,937.

ITEM 1 (continued)

Other options available are:

Do nothing

Council can decide not to proceed with the redevelopment of the Civic Precinct site or with a competitive design process. Under this scenario the existing Civic Centre building will require capital input to remain fit for purpose. The Civic Hall would also require upgrade to meet community needs. It is estimated that \$8 million would be required to refurbish the Civic Centre buildings to modern standards.

Sell the site

Council could choose to sell the site for redevelopment by another party. The value of the site is in the order of \$17 million in its present condition but the market conditions will decide the ultimate price.

Architectural / ideas competition

A traditional architectural competition such as held for Barangaroo (East Darling Harbour) is useful to establish a vision for a site. In this case Council has already established a vision and design parameters. These competitions often produce a design which cannot be implemented eg World Trade Centre site and Barangaroo. Subsequent project phases result in substantial change to the winning design to the disappointment of community and other stakeholders. This process would not suit Council as it has placed an emphasis on delivery of community facilities and will therefore need an implementable scheme.

29 Conclusion

The redevelopment of the Civic Precinct site in line with Council's vision will have enormous benefits to the community in terms of public space and facilities to meet contemporary needs. The growth of Ryde Town Centre will create jobs, local investment and a diverse range of residential accommodation. In addition, Council will be able to retain and enhance an asset and deliver its vision of a quality mixed use precinct.

An amendment to the existing planning controls is required to ensure design excellence and planning certainty. Draft Ryde LEP 2008 is currently on exhibition now and is anticipated to be reported to Council in March 2009. It is recommended that Council make a submission to the plan to increase the height limit to RL130 AHD, subject to a competitive design process and Council prepare an amendment to the plan, which is subject to a further report to Council on 9 December 2008.

If this amendment is approved the proposed competitive design process for the site will leverage off community enthusiasm and support for the revitalisation of Ryde Town Centre expressed in submissions to LEP 143 and for the recently approved Top Ryde Shopping Centre redevelopment. In addition significant works and studies have already been completed to assist in guiding / delivering this project.

The competitive design process methodology reflects industry best practice and is structured to minimise Council's risk exposure.

ITEM 1 (continued)**RECOMMENDATION:**

- (a) That the report of Team Leader Strategic Planning and Manager Major Projects on City Of Ryde Civic Precinct Mixed Use Development be received and noted.
- (b) That Council endorse the undertaking of a competitive design process for the Civic Precinct site.
- (c) That Council make a submission to Draft Ryde Local Environmental Plan 2008 to increase the permissible height of the Civic Precinct site to RL 130 AHD (from RL91).
- (d) That Council prepare and exhibit an amendment to the Draft Ryde Local Environment Plan 2008 to increase the permissible height of the Civic Precinct site to RL130 AHD in accordance with the NSW Environmental Planning and Assessment Act and Regulations.
- (e) That the General Manager be delegated authority to make representations to the state government to seek comments, involvement and endorsement for the amendment to Draft Ryde Local Environmental Plan 2008 and the competitive design process for the Civic Precinct site.
- (f) That the General Manager write to the Premier of NSW, Minister for Local Government, Minister for Planning and other relevant Government agencies advising that Council is initiating a competitive design process for the Civic Precinct site, attaching this report and seek their comment and support.
- (g) That Council endorse in principle the outcomes, deliverables, spatial breakdown, project structure and methodology for the competitive design process as outlined within this report.
- (h) That Council endorse in principle the project resourcing required and that the General Manager be delegated authority to establish a project team to be based in Committee Room 1, Level 5 of the Civic Centre building.

Report prepared by:

Lexie Macdonald
Acting Team Leader Strategic Planning

Maxine Kenyon
Manager Major Projects

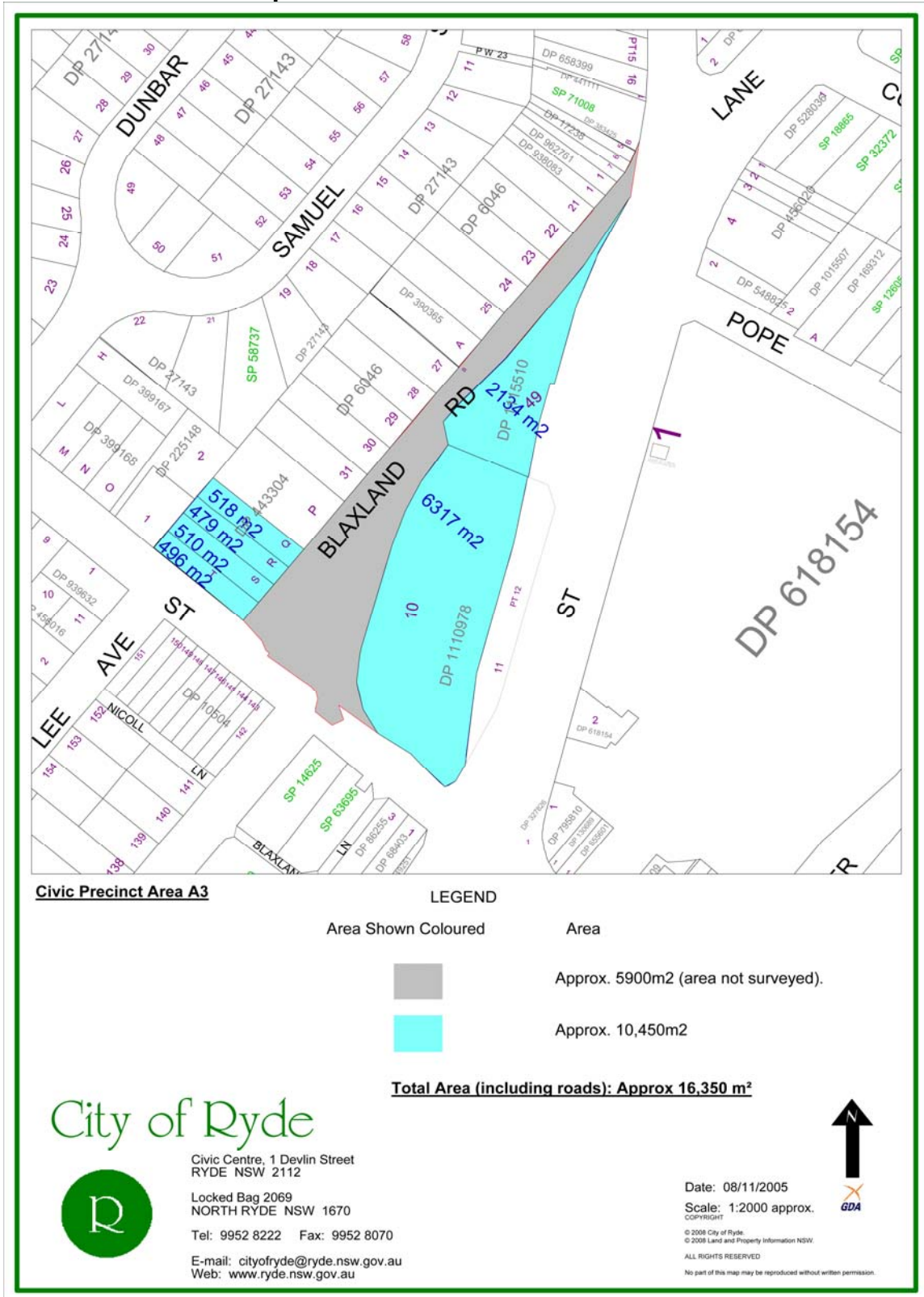
Report approved by:

Michael Whittaker
General Manager

ITEM 1 (continued)

ATTACHMENT

Civic Precinct Site Map



ITEM 1 (continued)

ATTACHMENT

Precinct 1: Civic/Mixed Use is defined in LEP 143 and detailed design guidance provided within Ryde DCP 2006.



N
NOT TO SCALE

1: Civic	5: Heritage	9: Ryde Park
2: Town Core	6: Commercial Edge (North)	10: Low Density Fringe
3: Main Street	7: Commercial Edge (West)	11: Ryde Public School
4: Residential	8: Commercial Edge (East)	

ENVIRONMENTAL PLANNING & ASSESSMENT ACT, 1979
DRAFT LOCAL ENVIRONMENTAL PLAN No. 143
RYDE TOWN CENTRE
PRECINCTS

DRAWN BY MARK FALLONE DATE 18/03/2005 SUPERVISING DRAFTSMAN PLANNING OFFICER LEXIE MACDONALD CERTIFICATE PLAN NUMBER COUNCIL FILE NO. DRAWN BY MARK FALLONE DEPT. FILE NO. CERTIFICATE ISSUED UNDER SEC. 65 E.P.A. ACT DATE	STATEMENT OF RELATIONSHIP WITH OTHER PLANS AMENDS RYDE PLANNING SCHEME SHEET 3 of 4 CERTIFIED IN ACCORDANCE WITH THE ENVIRONMENTAL PLANNING & ASSESSMENT ACT 1979, AND REGULATIONS. GROUP MANAGER ENVIRONMENTAL PLANNING & ENFORCEMENT DATE 18/3/2005
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