

PERRY LAKES REDEVELOPMENT - ANNUAL REPORT 30 JUNE 2007

This report of the Perry Lakes Redevelopment Project is prepared in accordance with Section 40 of the Perry Lakes Redevelopment Act 2005 (Act).

Perry Lakes Land (redevelopment of old stadium site)

A sustainable approach to the planning and development of the aged Perry Lakes stadium site has been adopted by the Western Australian Land Authority (LandCorp). This has included balancing the requirements of the *Perry Lakes Redevelopment Act 2005* (financial and non-financial), State Government planning policy and community aspirations.

Accordingly, 2006/07 has seen significant progress in the planning for the redevelopment. A summary of the achievements is outlined below:

- Completion of a number of technical studies/reports to support the Perry Lakes Draft Redevelopment Plan, including:
 - Draft report on implementation of sustainability objectives;
 - Community Consultation Report;
 - Spring (Vegetation) Survey;
 - Sporting Complex Asbestos Survey;
 - Acid Sulphate Investigation Report;
 - Soil and Groundwater Investigation Report;
 - Preliminary Aboriginal Heritage Assessment;
 - Report on an Aboriginal Heritage Survey;
 - Preliminary Archaeological Investigation for Aboriginal Sites;
 - Heritage Assessment Report;
 - Landscape Architectural Report;
 - Engineering Service Infrastructure Report;
 - Geotechnical Investigation Report;
 - Traffic Impact Assessment;
 - Local Water Management Strategy; and
 - Desktop Environmental Report.
- Community consultation, which included a Community Forum, Community Open Day, public display of the preliminary concept plan and regular stakeholder reference group meetings.
- Completion of a materials audit of the site improvements to provide a baseline for sustainability targets detailed in the Perry Lakes Redevelopment Act 2005.
- Appointment of an environmental auditor to comply with the Contaminated Sites Act 2003.
- Compliance with Section 20 of the *Perry Lakes Redevelopment Act 2005*, ensuring the draft redevelopment plan was submitted to the required local government(s) for comment.
- Compliance with Section 21 of the *Perry Lakes Redevelopment Act 2005*, ensuring the draft redevelopment plan was submitted to Environmental Protection Authority (EPA) who deemed that there was no formal assessment required.
- Completion of a financial and sensitivity analysis incorporating staging and preliminary development cost and revenue estimates.
- Final reviews of the Draft Redevelopment Plan were made in preparation for formal submission to the Western Australian Planning Commission (WAPC)

in early July 2007 in accordance with Section 22 of the *Perry Lakes Redevelopment Act 2005*, which required the plan be submitted to the WAPC for consideration of consent to public notification of the draft

Two of the site tenants vacated during the year, with licence agreements being renewed with the remaining tenants. An arrangement has continued with the Town of Cambridge to undertake facility management and event bookings during the period until the facilities are available for demolition. During the year, LandCorp assumed responsibility for the financial management of the licence agreements from the Town of Cambridge.

The revised Draft Redevelopment Plan is due to be formally advertised for public comment commencing in August 2007.

AK Reserve Facilities

2006/07 has seen significant progress in the planning of the replacement sporting facilities at AK Reserve with the Department of Sport and Recreation assisting the AK Reserve Minister in this regard. A summary of the achievements is outlined below:

- Relocation of Riding for Disabled Association Capricorn to a 40-hectare site in Pinjar.
- Compliance with Section 19 of the *Perry Lakes Redevelopment Act 2005* in the preparation and completion of the AK Reserve Draft Redevelopment Plan and its supporting plans being:
 - Archaeological Survey
 - Floral and Fauna Assessment
 - Environmental Assessment
 - Landscape Report
 - Traffic, carpark and public transport report; and
 - Infrastructure Study.
 - Consent to the advertising of the Draft Plan by the WAPC
- Compliance with Section 20 of the *Perry Lakes Redevelopment Act 2005*, ensuring the draft redevelopment plan was submitted to the required local government(s) for comment.
- Compliance with Section 21 of the *Perry Lakes Redevelopment Act 2005*, ensuring the draft redevelopment plan was submitted to Environmental Protection Authority (EPA) who deemed that there was no formal assessment required.
- Compliance with Section 22 and 23 of the *Perry Lakes Redevelopment Act 2005*, requiring the Draft Plan to be submitted to the WAPC for consent to advertise.
- Compliance with Section 24 of the *Perry Lakes Redevelopment Act 2005*, and completion of the 60-day public comment period for AK Reserve Draft Redevelopment Plan on 11 June 2007.
- Completion of all three stages of the design process for the State Athletics Centre (Schematic Design, Design Development and Contract Documentation).
- Completion of the first two stages of the design for the State Basketball Centre.
- Completion of the project definition for the Rugby facility.

- Development of management models for the facilities and the precinct.
- Appointment of Public Arts coordinator.
- Commencement of Bush Corridor Management and Implementation Plan.
- Commencement of detailed geo-technical assessment strategy including appointment of Environmental Auditor.
- Appointment of ESD consultant to examine the design of the sporting facilities to meet provisions within the *Perry Lakes Redevelopment Act 2005*.
- It is anticipated that the final AK Reserve Redevelopment Plan will be submitted to the WAPC for its recommendations to the Planning Minister in July 2007. If the Plan is approved then development applications will be submitted for the sports facilities.

Athletics

The project architects for the State Athletics Centre have finalised design and are in the process of completing contract documentation for tender. Assuming land tenure issues are resolved and development approval is received a construction tender will be advertised in September 2007.

Basketball

The project architects have completed the design and are progressing contract documentation for tender. Assuming land tenure issues are resolved and development approval is received a construction tender will be advertised in September 2007.

Rugby

Ongoing consultation with Rugby WA has resulted in agreement on project scope. A tender for a project architect will be called in August 2007.

Financial Provisions

The Perry Lakes Redevelopment Project will be funded from the sale of the Perry Lakes land and the State's contribution to athletics.

The Project is supported by borrowings from the Treasurer repayable from revenue proceeds from the sale of the land, which is expected to flow from January 2010. Prior to the borrowing facility being implemented the project was funded from a Treasurer's Advance, which was repaid in June 2007.

The finances are managed through a Special Purpose Account (SPA), the Perry Lakes Trust Fund.

The Perry Lakes land was acquired from the Town of Cambridge in accordance with Sections 6 and 7 of the Act. AK Reserve was acquired from the Town of Cambridge in accordance with Sections 6 and 8 of the Act.

Athletics

The State contributes 48% of the cost of designing and constructing the athletics facilities through a grant from the Department of Sport and Recreation.

Interim Management of Perry Lakes Facilities

The Western Australian Land Authority (Landcorp), through a service level agreement with the Town of Cambridge, manages the existing sporting facilities pending their relocation. The revenues and expenses of this arrangement are transacted through the Perry Lakes Trust Fund.

Financial Statements

SCHEDULE OF EXPENSES AND INCOME

	2007	2006
	\$'000	\$'000
Expenses		
Employee benefits expense	91	0
Finance costs	7	0
Supplies and services	524	149
TOTAL EXPENSES	622	149
Income		
Interest revenue	33	13
Other revenue	327	116
Grants and Subsidies	6,700	0
Appropriation for AK Reserve	-	1,700
Assets transferred from Local Government	0	56,170
TOTAL INCOME	7,060	57,999

SCHEDULE OF ASSETS AND LIABILITIES

	2007 \$'000	2006 \$'000
Current Assets		
Cash	6,224	2,405
Accounts receivable	7	27
Total current assets	<u>6,231</u>	<u>2,432</u>
Non-current assets		
Land at fair value (i)	64,620	56,170
Construction in progress	3,660	338
Total non-current assets	<u>68,280</u>	<u>56,508</u>
TOTAL ASSETS	<u>74,511</u>	<u>58,940</u>
Current liabilities		
Accruals	66	0
Creditors	96	149
Treasurer's Advance	0	2,641
Total current liabilities	<u>160</u>	<u>2,790</u>
Non-current liabilities		
Interest Payable	6	0
Borrowings	3,307	0
Total non-current liabilities	<u>3,313</u>	<u>0</u>
TOTAL LIABILITIES	<u>3,473</u>	<u>2,790</u>

(i) Notes to the Schedules of Administered Items – Land values

Land is measured at fair value based on independent valuations provided by the Western Australian Land Information Authority (Valuation Services) at 1 July 2006. The valuations were performed during the year ended 30 June 2007 and recognised at 30 June 2007. Fair value has been determined on the basis of current market value where an active market exists or current use where no market exists and/or the current land use is specialised in nature. Revaluations are made with sufficient regularity to ensure that the carrying value of land does not differ materially from its fair value at reporting date.

Special Purpose Account

	2007 \$'000	2006 \$'000
Perry Lakes Trust Fund		
Opening balance	2,405	-
Receipts:		
Hire Charges	-	7
Interest Income	39	-
Other Revenue	341	95
Treasurer's Advance ¹	666	2,641
	<u>1,046</u>	<u>2,743</u>
Payments:		
Consultant Fees	<u>(3,416)</u>	<u>(338)</u>
Closing balance	<u>35</u>	<u>2,405</u>

Note 1: The Treasurer's Advance as at 30 June 2007 is the net of the borrowings from the Treasurer of \$3.307 million and repayment of the advance of \$2.641 million

The Fund holds funds received pursuant to Section 42 of the *Perry Lakes Redevelopment Act 2005* for application in accordance with Section 43(1) of that Act.

The Perry Lakes Redevelopment Project forms part of the assets, liabilities, and income and expenses that the Department for Planning and Infrastructure administers on behalf of Government. The Department's financial statements are audited by the Office of the Auditor General.