



PUBLIC ACCOUNTS COMMITTEE

**INQUIRY INTO THE
PORT COOGEE DEVELOPMENT**

Report No. 6

36th Parliament

2003

Published by the Legislative Assembly, Parliament of Western Australia, Perth, December 2003.

Printed by the Government Printer, State Law Publisher, Western Australia.



Public Accounts Committee

Inquiry into the Port Coogee Development

ISBN: 1 920830 20 0

(Series: Western Australia. Parliament. Legislative Assembly. Committees.
Public Accounts Committee. Report 6)

328.365

Copies available from:

State Law Publisher
10 William Street
PERTH WA 6000

Telephone:

(08) 9321 7688

Facsimile:

(08) 9321 7536

Email:

sales@mpc.wa.gov.au

Copies available on-line:

www.parliament.wa.gov.au





PUBLIC ACCOUNTS COMMITTEE

INQUIRY INTO THE PORT COOGEE DEVELOPMENT

Report No. 6

Presented by:
Mr J.B. D'Orazio, MLA
Laid on the Table of the Legislative Assembly
on 4 December 2003

COMMITTEE MEMBERS

Chairman	Mr J.B. D'Orazio, MLA Member for Ballajura
Deputy Chairman	Mr M.G. House, MLA Member for Stirling
Members	Mr J.L. Bradshaw, MLA Member for Murray-Wellington
	Mr A.J. Dean, MLA Member for Bunbury
	Mr M.P. Whitely, MLA Member for Roleystone (until 30.10.2003)
	Ms J.A. Radisich, MLA Member for Swan Hills (from 30.10.2003)

COMMITTEE STAFF

Principal Research Officer	Ms Andrea McCallum, BA, B Juris, LL B, LL M
Research Officer	Mr Simon Kennedy, BA (Hons)

COMMITTEE ADDRESS

Public Accounts Committee
Legislative Assembly
Parliament House
Harvest Terrace
PERTH WA 6000

Tel: (08) 9222 7494
Fax: (08) 9222 7804
Email: lapac@parliament.wa.gov.au
Website: www.parliament.wa.gov.au

TABLE OF CONTENTS

COMMITTEE MEMBERS	I
COMMITTEE STAFF	I
COMMITTEE ADDRESS.....	I
COMMITTEE’S FUNCTIONS AND POWERS	V
INQUIRY TERMS OF REFERENCE.....	VII
CHAIRMAN’S FOREWORD.....	IX
ABBREVIATIONS AND ACRONYMS	XIII
FINDINGS	XV
RECOMMENDATIONS	XVII
MINISTERIAL RESPONSE	XIX
CHAPTER 1 INTRODUCTION	1
1.1 BACKGROUND	1
CHAPTER 2 DEVELOPMENT AT PORT COOGEE.....	5
2.1 PLANS FOR DEVELOPMENT.....	5
(a) Exploring development options 1981-1990	5
(b) Cabinet approval for redevelopment, 1990	6
2.2 HEADS OF AGREEMENT (1996).....	7
2.3 PORT CATHERINE PROJECT AGREEMENT NUMBER 1 (1997).....	8
2.4 PORT CATHERINE PROJECT AGREEMENT NUMBER 2 (2000).....	10
CHAPTER 3 FINANCIAL IMPLICATIONS FOR THE GOVERNMENT	13
3.1 DEVELOPMENT COSTS.....	13
(a) Site Remediation	13
(b) Road construction.....	14
(c) Land acquisition and demolition of structures at the site	15
(d) Summary of costs	16
3.2 VALUE OF LAND AT PORT COOGEE	16
CHAPTER 4 PROCEEDING WITH THE AGREEMENT	21
4.1 RETURNS TO THE STATE.....	21
(a) Economic outcomes	21
(b) Social outcomes.....	21
(c) Environmental outcomes	23
CHAPTER 5 CONCLUSION	25
APPENDIX ONE	27
SUBMISSIONS RECEIVED.....	27
APPENDIX TWO	31
BRIEFINGS HELD	31
APPENDIX THREE	33
WITNESSES TO HEARINGS	33
APPENDIX FOUR	35
LEGISLATION	35
REFERENCES	37

COMMITTEE'S FUNCTIONS AND POWERS

The Public Accounts Committee inquires into and reports to the Legislative Assembly on any proposal, matter or thing it considers necessary, connected with the receipt and expenditure of public moneys, including moneys allocated under the annual Appropriation bills and Loan Fund.

The Committee may:

- 1 Examine the financial affairs and accounts of government agencies of the State which includes any statutory board, commission, authority, committee, or trust established or appointed pursuant to any rule, regulation, by-law, order, order in Council, proclamation, ministerial direction or any other like means.
- 2 Inquire into and report to the Assembly on any question which -
 - (a) it deems necessary to investigate;
 - (b) is referred to it by resolution of the Assembly;
 - (c) is referred to it by a Minister; or
 - (d) is referred to it by the Auditor General.
- 3 Consider any papers on public expenditure presented to the Assembly and such of the expenditure as it sees fit to examine.
- 4 Consider whether the objectives of public expenditure are being achieved, or may be achieved more economically.

INQUIRY TERMS OF REFERENCE

On 15 October 2003, the Public Accounts Committee (PAC) resolved to examine and report on the costs and benefits to the State Government of the development at Port Coogee (formerly Port Catherine), as proposed in the Port Catherine Project Agreement Number 2.

The Committee resolved to report on:

- 1 the financial implications for the State Government in meeting its obligations under Port Catherine Project Agreement Number 2, particularly in relation to:
 - site remediation;
 - infrastructure;
 - the purchase price of land to be sold to the developer; and
- 2 whether proceeding with Port Catherine Project Agreement Number 2 will provide a reasonable return to the State.

CHAIRMAN'S FOREWORD

The Committee has examined a formal Agreement signed by the Western Australian Planning Commission, on behalf of the State of Western Australia, and Port Catherine Developments Pty Ltd. The Agreement relates to a proposal to develop land at Port Coogee.

Port Coogee is approximately 19 kilometres south west of the Perth Central Business District. A large proportion of the site is comprised of former industrial land, which has resulted in significant contamination. Since the 1980s, vacant land at the site has been subject to attempts by successive governments to progress an appropriate developmental outcome.

The Committee has explored a number of contentious issues relating to the terms of the Project Agreement. Given the process to begin development is at an important stage, the Committee considered it appropriate to examine these issues without delay and promptly report to the Legislative Assembly.

The Committee has approached this inquiry with the objective of understanding the environment in which Port Coogee Project Agreement Number 2 was signed in 2000 in order to explore aspects of the Agreement that appear incongruous.

In reaching this understanding it is important to acknowledge that many features of the Agreement were inherited from the Port Catherine Development Project Heads of Agreement, formalised in 1996.

As discussed in the Report, the current situation is significantly different to 1996 when many features of the Project Agreement were formulated. It is the Committee's view that the apparent inconsistencies related to the Project Agreement as it currently stands are due to the complicated nature of this sort of undertaking and the benefit of hindsight when assessing the Agreement from the current vantage point.

The task to redevelop Port Coogee has proven complicated, as illustrated by the numerous studies and extensive negotiations that occurred in the 1980s and early 1990s, eventually resulting in the 1996 Heads of Agreement between the WAPC and PCD.

The Government had an intention to relocate noxious industry off the land, which was contaminated and required remediation. In addition, some lots within the area were still privately owned and, as a result, the decision to enter the Heads of Agreement in 1996 was understandable.

In this case the State carried a considerable risk by committing to remediate the land without being able to accurately assess the extent of the work needed. In turn, the developer pressed forward with planning the development of the land, knowing that

the project could be lost at any stage by failing to gain the necessary approvals or the removal of Government endorsement. The Committee acknowledges the risks carried by both parties when committing to the Project in 1996.

The Project Agreement's main point of contention is the market value of Government land within the project area to be sold to the developer. The Project Agreement makes use of a formula to calculate the price of the land over time and it is greatly unfortunate that this formula, agreed to by both parties at the signing of the Agreement, severely underestimates the current market value of the land. However, the Committee is satisfied that a fair process was followed in 1996 to determine the value of the land and that the eventual inconsistency that is evident today could not have been foreseen.

The Coogee Coastal Action Coalition has raised a number of concerns with the development and the Committee is particularly sympathetic to concerns relating to public access to the coastline. The Committee considers that public access should be maximised along the coast and is particularly concerned by residential and commercial lots being situated directly along the shore, as is currently planned - that density of development does not affect the financial viability of the project.

It is to be hoped that these concerns are addressed in future amendments to the project design.

In summary, the Committee has concluded that the Agreement will provide a satisfactory result for the State of Western Australia, despite weaknesses in some areas that have become increasingly evident. While the report examines a number of imperfect aspects of the Agreement, it should be noted that the State was exposed to a far greater cost at various times than it is facing currently.

The State's original aims to redevelop the land and provide a valuable centre for the surrounding area will be achieved through the completion of the development. Nevertheless the Committee considers that amendments should be sought, where possible, to improve aspects of the project considered unsuitable.

The Government of the day committed to a binding Agreement in 2000 that should be honoured.

For its part the developer must evaluate the merits of undertaking a development significantly different to the one first envisaged. However, in the end the developer will benefit greatly from an unanticipated appreciation in local land values that was not adequately addressed in the Project Agreement.

The Committee has concluded that it is appropriate for the State to proceed with its obligations under Project Agreement Number 2.

I would like to acknowledge the performance of our Research Officer, Simon Kennedy, who worked diligently to ensure the Committee was able to meet its tight

deadline. I also thank the Principal Research Officer, Andrea McCallum, for her continued support to the Committee.

I would like to express my gratitude to Committee members for their contribution to this inquiry: Hon. Monty House MLA, Mr John Bradshaw MLA, Mr Tony Dean MLA, Ms Jaye Radisich MLA and Mr Martin Whitely MLA. I am proud of Committee's capacity to work cooperatively and reach unanimous conclusions.

MR J.B. D'ORAZIO, MLA
CHAIRMAN

ABBREVIATIONS AND ACRONYMS

Agreement	Port Catherine Project Agreement Number 2 (2000)
Australand	Australand Holdings Limited
CCAC	Coogee Coastal Action Committee
CMD	Consolidated Marine Developments (Australia) Pty Ltd
Committee	Public Accounts Committee
DEP	Department of Environmental Protection
DPI	Department for Planning and Infrastructure
EPA	Environmental Protection Authority
HOA	Heads of Agreement
MRS	Metropolitan Region Scheme
MRPA	Metropolitan Region Planning Authority
PAC	Public Accounts Committee
PCD	Port Catherine Developments Pty Ltd
PRR	Primary Regional Road
SPC	State Planning Commission
WAPC	Western Australian Planning Commission

FINDINGS

Page 9

Finding 1

The Port Catherine Heads of Agreement and the original Project Agreement (1997) identified a number of components to be provided by the developer, but many significant aspects of the development were unknown.

Page 9

Finding 2

According to the 1997 Agreement, Port Catherine Developments (PCD) was entitled to initiate renegotiation of terms but the State was not. The State was only able to address a number of its concerns as a result of PCD reopening discussions prior to the signing of Project Agreement Number 2 in 2000.

Page 11

Finding 3

In 2000, the agreed value of land included in the sale to developers was amended, as outlined in Port Catherine Project Agreement Number 2, in response to the diminished capacity of the developer to complete a viable project at that time.

Page 11

Finding 4

The decision to remove the value of the sea bed from the agreed price of land to be sold to the developer may have been part of negotiations to amend the Agreement, but the Committee does not consider it to be good practice.

Page 15

Finding 5

The Government originally pursued realignment of the Primary Regional Road, but responsibility now rests with the developer, should it choose to proceed. This work will be a significant additional impost to the developer.

Page 17

Finding 6

The Committee is satisfied that the process to determine the value of land for sale to the developer was fair and equitable to all parties.

Page 18

Finding 7

The land value determined in 1997, including escalation rate, significantly underestimates the current market value of the land.

Page 18

Finding 8

The Government's changing preferences since 1997 have resulted in amendments to the project design and delays to the development. Many delays to the project have occurred independently of the developer and its actions.

Page 19

Finding 9

The Agreement does not provide opportunity for the State to revisit the valuation ascribed to the land under the Agreement.

Page 22

Finding 10

The Committee recognises the need to include attractive commercial opportunities but considers that the ratio could be adjusted to improve public accessibility to the coastline, while maintaining a viable project outcome. Increasing the level of public access to the coast would enhance the social benefits provided by the development plan.

Page 23

Finding 11

An appropriately constructed public boat ramp within the development will enhance the social benefits of the development plan.

RECOMMENDATIONS

Page 11

Recommendation 1

All Government land to be sold to developers, including sea bed land, should be sold at market value that includes an escalation clause that can be applied to reflect true current market value.

Page 12

Recommendation 2

In cases where it is necessary to alter the agreed value of Government land to be sold to developers, revised contracts should clearly state the rationale for the alteration.

Page 23

Recommendation 3

The Western Australian Planning Commission should negotiate with the developer with a view to reducing the level of residential and commercial development situated directly on the waterfront, in order to enhance public access to the coast.

Page 23

Recommendation 4

An appropriate boat ramp should be constructed within the development area by the developer.

Page 25

Recommendation 5

The State should fulfil its obligations pursuant to Port Catherine Project Agreement Number 2, 2000.

MINISTERIAL RESPONSE

In accordance with Standing Order 277(1) of the Standing Orders of the Legislative Assembly, the Public Accounts Committee directs that the Minister for Planning and Infrastructure report to the Assembly as to the action, if any, proposed to be taken by the Government with respect to the recommendations of the Committee.

CHAPTER 1 INTRODUCTION

1.1 Background

Port Coogee (formerly known as Port Catherine) is approximately 19 kilometres south west of the Perth Central Business District and 5 kilometres south of Fremantle. Since the 1980s, vacant land at the site has been subject to attempts by successive governments to identify an appropriate developmental outcome.

At present the area for the proposed development comprises 85 hectares, a large proportion of which is comprised of disused industrial land. Some 28 hectares of the proposed development is sea bed, west of the current coastline.¹

In addition to the sea bed the Western Australian Government owns approximately 47 hectares of land. Consolidated Marine Developments (Australia) Pty Ltd (CMD) privately owns 10 hectares of the land in various lots.²

Formal plans for the development of Port Coogee were established following the signing of a Project Agreement between the Western Australian Planning Commission (WAPC) and Port Catherine Developments Pty Ltd (PCD). The Agreement defines Government and developer obligations in progressing the development of Port Coogee.

PCD was formed as a consortium by Australand Holdings Limited (Australand) and CMD, which allowed these companies to enter the original Port Catherine Project Agreement, signed in 1997, as a single entity alongside the WAPC.³

CMD owns properties within the development area and has been involved in negotiations since the 1980s.⁴

In June 2000 the original Project Agreement was superseded by Port Catherine Project Agreement Number 2 and it is this Agreement that will be the focus of the Committee's Report.

The new Agreement stated that the proposed development at Port Coogee would include the following:

¹ *Port Catherine Project Agreement Number 2 (2000)*, Schedule 3 Plan, 1999.

² *Ibid.*

³ G. Rotondella, CMD, Transcript of Evidence, 17 November 2003, p6; C. Lewis, PCD Transcript of Evidence, 17 November 2003, p3; and *Port Catherine Development Project Heads of Agreement (1996)*, p1.

⁴ G. Rotondella, CMD Transcript of Evidence, 17 November 2003, p1.

- Remediation of land contaminated through past industrial use;
- Residential developments;
- Construction of a marina, including a breakwater, boat harbour, jetties, moorings and other facilities;
- Commercial development, including office, retail, hotel, restaurants and other commercial ventures with associated facilities; and
- Community facilities comprising public amenities, public open space, public use water zones, public access to the foreshore, access roads and associated amenities.⁵

The Committee has sought to examine contentious aspects of the Agreement, namely the financial obligations faced by the State according to the Agreement and the predicted return to the State and general community, should the development proceed as currently planned.

The Perth Metropolitan Region Scheme (MRS) is designed to control land use and development in the Perth Region. An amendment to the Scheme is required for the development to proceed as planned, but has not yet been approved. An application to amend the City of Cockburn Town Planning Scheme has been submitted and, at the time of writing, the public consultation process is underway.

A report released by the Environmental Protection Authority (EPA) in August 2002 concluded that the proposed Port Coogee development would be unlikely to compromise EPA objectives, subject to the implementation of environmental recommendations.⁶

The Committee is aware of numerous amendments to the original concept of a development at Port Coogee and delays since the signing of the Agreement. The Committee is not prepared to create unnecessary uncertainty and, as a result, has sought to expedite the tabling of this Report.

In Chapter Two the Committee provides an account of the long history of negotiations regarding this site, in order to assist understanding of the current situation.

⁵ *Port Catherine Project Agreement Number 2 (2000)*, Clause 2.4 and 11.1

⁶ See WAPC, *Metropolitan Region Scheme Amendment 1010/33 - Port Catherine*; and Minister for the Environment, *Statement that a Scheme may be Implemented (Pursuant to the Provisions of Division 3 of Part IV of the Environmental Protection Act 1986): Metropolitan Region Scheme Amendment No. 1010/33 Port Catherine*.

The cost to the State of fulfilling its obligations under the Project Agreement is the focus of Chapter Three, with particular attention given to costs of site remediation and provision of infrastructure. The considerable disquiet regarding the agreed value of Government land to be sold to the developer will also be addressed.

In Chapter Four the Committee provides its assessment of the likely return to the State of Western Australia, should the development proceed according to the Agreement's conditions.

The Committee's conclusions are summarised in Chapter 5.

CHAPTER 2 DEVELOPMENT AT PORT COOGEE

2.1 Plans for development

The current Plan to develop the site at Port Coogee has evolved from two decades of assessment and deliberation as to the best use of the land. Numerous proposals to develop the site have been generated. In order to understand the decisions made in the mid-1990s that have created the current situation, the Committee considers it worthwhile to track the history of plans for development.

Many conditions of the current Project Agreement were established in the mid-1990s through the signing of the Heads of Agreement (1996) and the original Port Catherine Project Agreement (1997). The conditions of the current Project Agreement, signed in 2000, have been the subject of escalating contention over time, largely due to the fact that arrangements made in the mid-1990s appear incongruous in the present environment.

(a) Exploring development options 1981-1990

In 1981 the Coogee Coastal Study Steering Committee was established by the Metropolitan Region Planning Authority (MRPA) to study the coastal areas surrounding Coogee Beach and make recommendations on the most effective uses for land in that area. It was followed by the Coogee Area Industrial Study, which proposed six options for the land, each of which represented a significant change of land use.⁷

In essence, these studies assessed various alternatives to clean up the land and redevelop Port Coogee.

Of the many options put forward by the Coogee Area Industrial Study, the MRPA favoured Option 5, which removed noxious industries from the site and realigned the main road in the area. Pursuit of this option required the closure of the South Fremantle Power Station and the Robb Jetty abattoir, which Cabinet failed to support.⁸

The City of Cockburn pressed the MRPA to consider the Study's Option 2, which allowed the Robb Jetty abattoir to remain.⁹ The concepts provided by Option 2 were generally endorsed and the MRPA was supportive on the condition that alternative locations be provided for industries still active at the site.

⁷ DPI Submission, "Background to the Port Catherine Project Agreement", 17 November 2003.

⁸ *Ibid.*

⁹ Note that the MRPA became known as the State Planning Commission around this time.

Consolidated Marine Developments first raised the prospect of a marina at the site when it submitted a Development Application in 1984, but the Application failed to meet the MRPA's requirements and was not considered. In 1986, CMD advised of plans for development based on Option 2 that included a marina.

The Coogee Area Industrial Study Report was prepared in February 1987 after a request by Cabinet for closer examination of the implications of proceeding with Option 2. The Study assessed the costs of industry relocation against the likely revenue from land sales for residential development and identified North Coogee as an appropriate site for relocation of industry. Significantly, the Study recommended the Government should purchase properties owned by CMD, although it would be costly.

Plans for development gained momentum following Cabinet approval in 1988 for the Coogee Redevelopment Plan, produced by an interdepartmental Committee.¹⁰ The Plan preferred industrial land-use in the northern section of the area, leaving the southern area as a residential zone. Like the previous Study, the Plan recommended the Government purchase CMD's properties.

Based on the Plan's recommendations an Agreement to support future development in the Coogee area was signed by the State Government and the City of Cockburn in November 1988.¹¹ Soon after, the City of Cockburn advised the State Planning Commission that it favoured the concept of a marina, as proposed by CMD.

Throughout this period there were many attempts to rezone the land that were delayed because CMD, the major private land owner, was negotiating with the State Government for a development project. Inevitably the plans to rezone were linked to the progress of CMD's negotiations.¹²

(b) Cabinet approval for redevelopment, 1990

In January 1990, Cabinet approved development of the land based on the Coogee Redevelopment Plan. Later that year the Department for State Development called for expressions of interest to purchase 60 hectares of Government land in South Coogee. CMD's submission was considered the most appropriate and included plans for a residential development and a marina.¹³ CMD was required to investigate the possibility of a joint venture partner to undertake the development process.

¹⁰ B. Curtis, DPI Transcript of Evidence, 17 November 2003, p3.

¹¹ DPI Submission, "Background to the Port Catherine Project Agreement" 17 November 2003.

¹² B. Curtis, DPI Transcript of Evidence, 17 November 2003, p3.

¹³ B. Curtis, DPI Transcript of Evidence, 17 November 2003 p5; DPI Submission, "Background to the Port Catherine Project Agreement", 17 November 2003; G. Rotondella, CMD Transcript of Evidence, 17 November 2003.

It would be over five years before the Heads of Agreement was signed, with the intervening period taken up by negotiations surrounding environmental concerns, the exact nature of the future development and the best way to move forwards. The continued uncertainty was evident when the Coogee Master Plan Final Report was released in 1993 with many issues left unresolved, particularly concerning Public Open Spaces, the alignment of Cockburn Road and the proportion of residential development in the area.¹⁴

2.2 Heads of Agreement (1996)

In March 1994 CMD was advised by the then Deputy Premier and Minister for Commerce and Trade, Hon. Hendy Cowan, that the Government supported the development, including the marina concept, and indicated its desire to enter a Heads of Agreement (HOA) with CMD. The Government also committed to remediating the contaminated land to be sold for residential development.

The path to the eventual signing of the HOA, some two years later, was highlighted by further extensive analysis, which undoubtedly was considered crucial by the Government but caused frustration to the developer.¹⁵ The WAPC, PCD and CMD signed the HOA in March 1996, although two serious issues of contention remained.

The first issue related to CMD's limited financial capacity to proceed with a project of this size. The HOA required CMD to identify within twelve months a suitable joint venture participant to undertake the Project.¹⁶ In early 1997, Australand Holdings Limited partnered CMD to form Port Catherine Developments, which became the single entity that entered the Project alongside the WAPC. Australand assumed the key role in carrying forward planning for the Development and, in effect, can be considered the developer for this project.¹⁷

The second issue of contention concerned the value of Government land to be sold to the developer. According to Clause 5.2 of the HOA:

The land will be sold at fair market value, on a "highest and best use basis", assuming a conventional plan of residential subdivision excluding a marina. The valuation of land will disregard any betterment factor which may be

¹⁴ DPI Submission, "Background to the Port Catherine Project Agreement", 17 November 2003.

¹⁵ G. Rotondella, CMD Transcript of Evidence, 17 November 2003, p4.

¹⁶ *Port Catherine Development Project Heads of Agreement (1996)*, Clause 1.2.1.

¹⁷ *Port Catherine Development Project Heads of Agreement (1996)*, Clause 1.2.1; G. Rotondella, CMD Transcript of Evidence, 17 November 2003, p6; and D. Rowe, PCD Transcript of Evidence, 17 November 2003, p2-3.

*attributed to future approval of the Project by statutory authorities or to Project works undertaken by PCD.*¹⁸

The value eventually ascribed to the land in Port Catherine Project Agreement Number 1 (1997) was based on this Clause and can be viewed as increasingly inappropriate to the true value of the land. The HOA provided an annual escalation rate of 7% to the value of the land to allow for increases in the CPI and predicted land appreciation in the area. This escalation rate was intended to also cater for any betterment factor.

The issue of land value will be discussed further in Section 3.2 of this Report.

The Government's obligations were locked into place by the HOA (1996) and confirmed in Port Catherine Project Agreement Number 1 (1997). In signing the HOA the Government had committed to acquiring privately owned land within the Project Area, preparing Government-owned land within the Project Area to be available for purchase by PCD and beginning the significant task of site remediation.¹⁹

PCD committed to detailed planning for the project and to submit within six months all necessary documentation to relevant authorities to obtain statutory approvals required for the project to proceed.

2.3 Port Catherine Project Agreement Number 1 (1997)

In May 1997, Cabinet approved the WAPC to enter Port Catherine Project Agreement Number 1.

Project proposals were only indicative at this point, despite the signing of both the HOA and this Agreement. The method of implementation of the project was not known and detailed planning was to be set out in a Development Plan to be submitted at a later date.²⁰ The lack of details at the time of signing may have reflected the need for flexibility to allow for a number of factors with uncertain outcomes.²¹

¹⁸ *Port Catherine Development Project Heads Of Agreement (1996)*, Clause 5.2.

¹⁹ *Ibid*, Clause 4.

²⁰ *Port Catherine Development Plan*, August 2000, endorsed by WAPC on 19 September 2000.

²¹ This feature was evident in the final agreement, *Port Catherine Project Agreement Number 2 (2000)*, as noted by legal advice to the Committee, 25 November 2003.

Finding 1

The Port Catherine Heads of Agreement and the original Project Agreement (1997) identified a number of components to be provided by the developer, but many significant aspects of the development were unknown.

The involvement of Australand resulted in a thorough assessment of the project design and plans that were far more comprehensive. However, initial consultations with the Department of Environmental Protection (DEP) revealed serious concerns regarding the Project's impact on Coogee Beach itself and an adjacent A Class Reserve. The DEP raised other concerns to be addressed before the Plan was approved, such as the removal of the Omeo ship wreck, which is located towards the south of the beach area, and the impact on local seagrass.²²

Design concepts were repeatedly amended to the point that the Project was significantly different to the one first proposed years earlier. This was an inevitable consequence of the process to obtain approvals and the State refining its preferences for the area. The result, however, was that the developer considered a number of the amendments had restricted its ability to undertake a viable project.

Clause 2.4 of the 1997 Agreement stated explicitly that both parties acknowledged the need for the Project overall to be commercially viable. The developer, considering this was no longer the case, eventually sought to renegotiate the terms of the development.²³

Finding 2

According to the 1997 Agreement, Port Catherine Developments (PCD) was entitled to initiate renegotiation of terms but the State was not. The State was only able to address a number of its concerns as a result of PCD reopening discussions prior to the signing of Project Agreement Number 2 in 2000.

²² DPI Submission, "Background to the Port Catherine Project Agreement" 17 November 2003.

²³ *Port Catherine Project Agreement Number 1 (1997)*, Clause 2.4, p8.

In 1999 the WAPC dealt with a number of concerns in a major review of the Project, including:

- concerns related to the design;
- managing the costs to government;
- providing certainty and clarity for the WAPC in the management of the liaison process; and
- incorporating financial concessions requested by PCD.²⁴

The financial concessions referred to in the latter point resulted from PCD's advice to the WAPC that the most recent design concept was not financially viable.²⁵ Mr Chris Lewis, Managing Director of Australand, referred to the amendments to PCD's original plan for the area, which were considered by the company to have impinged its company's ability to complete a feasible project:

There have been six concepts of this plan. It has followed the statutory process. It has also followed some lengthy community consultation, so there has been public consultation. That has led to many changes within the project to date and in fact has seen the project area shrink quite considerably... yet additional benefits have been continually added and the project is being continually refined.²⁶

PCD claimed that the most recent concept was not financially viable due to the reduction in lot yield, particularly canal lots that were expected to produce higher returns. The company was also uncomfortable with costs related to the area of sea bed.

2.4 Port Catherine Project Agreement Number 2 (2000)

Port Catherine Project Agreement Number 2, signed in June 2000, included amendments to address the concerns of both the State and PCD.

PCD's unease regarding the viability of the Project was accommodated in the revised Agreement. Specifically, PCD requested alterations to the payment for acquiring the sea bed land and the annual rate of escalation linked to the overall land value, as established in the original Project Agreement.

²⁴ DPI Submission, "Background to the Port Catherine Project Agreement", 17 November 2003.

²⁵ DPI Submission, "Background to the Port Catherine Project Agreement", 17 November 2003; and D. Rowe, PCD Transcript of Evidence 17 November 2003, p3.

²⁶ Transcript of Evidence, 17 November 2003, p3.

A commercial property firm was engaged to provide an updated assessment of land value, resulting in the escalation rate being reduced from 7% to 5.7%. The new Agreement also removed payment associated with acquiring sea bed land.

The adjustment of terms to be more favourable to PCD was an acknowledgment that the Project design was no longer financially viable under the original Agreement. The reduction in the price payable for land was directly linked to improving the developer's capacity to complete a worthwhile project.²⁷

While acknowledging the rationale for making this adjustment, the Committee does not consider the removal of payment for sea bed land to be good practice. This case should not to be regarded as a precedent for future sales of Government land.

Section 3.2 of this Report will further discuss the value of land to be sold to the developer as part of this Agreement.

Finding 3

In 2000, the agreed value of land included in the sale to developers was amended, as outlined in Port Catherine Project Agreement Number 2, in response to the diminished capacity of the developer to complete a viable project at that time.

Finding 4

The decision to remove the value of the sea bed from the agreed price of land to be sold to the developer may have been part of negotiations to amend the Agreement, but the Committee does not consider it to be good practice.

Recommendation 1

All Government land to be sold to developers, including sea bed land, should be sold at market value that includes an escalation clause that can be applied to reflect true current market value.

²⁷ D. Rowe, PCD Transcript of Evidence, 17 November 2003, p6.

Recommendation 2

In cases where it is necessary to alter the agreed value of Government land to be sold to developers, revised contracts should clearly state the rationale for the alteration.

CHAPTER 3 FINANCIAL IMPLICATIONS FOR THE GOVERNMENT

With the signing of Port Catherine Project Agreement Number 2, the State committed to a number of obligations. For the purposes of this chapter the Committee will focus on costs related to the following:

- remediation of the land to prepare it for sale to the developer;
- construction of the Primary Regional Road (PRR); and
- land acquisition and demolition of structures at the site.

The overall expected cost to be incurred by the WAPC has changed markedly since the signing of the Agreement in 2000. The Committee will briefly summarise changes to costs relevant to the obligations listed above.

It should be noted that costs mentioned in this chapter are estimated and, in some cases, not final.

3.1 Development Costs

(a) Site Remediation

Significant sections of the land within the project area had been contaminated by previous industrial activities, which included hide storage and processing, tanning, chemical manufacture, oil processing and flyash disposal.²⁸ Identified contaminants at the site include chromium, arsenic, copper, lead, zinc, mercury, flyash, hydrocarbons, phenols and pesticides.²⁹

The EPA has also identified contamination of sediment near the shore and petroleum products in the ground water.³⁰

The recommendations of the EPA stated the following:

The Human Health Risk Assessment and the Fate and Transport modelling identified a number of areas that would require remediation should the amendment be implemented. This remediation includes the removal of 3050m³ of soils that exceed safe levels of contamination for human health,

²⁸ Environmental Protection Authority, *Remediation of Contaminated Land for Residential Purposes South Coogee: Western Australian Planning Commission* (EPA, Perth, 1999) p1

²⁹ *Ibid*, p12

³⁰ Environmental Protection Authority, *Metropolitan Region Scheme Amendment No 1010/33 - Port Catherine*, Bulletin 1060, August 2002, p23

*227m3 of wastes that have a negative aesthetic impact and 5000m3 of uncontrolled fill.*³¹

The HOA identified site remediation as the responsibility of the WAPC.³² The WAPC's obligations were clarified in Section 11 of the Port Catherine Project Agreement Number 2:

*WAPC must, at its own cost...carry out such remediation of any of the WAPC Land being acquired by PCD as may be Contaminated to the extent required by the Minister for the Environment...*³³

Upon the signing of the Agreement, the WAPC anticipated a cost of \$6 million to bring the site to an acceptable standard for sale to the developer. This figure allowed for the difficulties of predicting the extent of work required and reflected a "worst-case" scenario.

The process of remediation is well advanced at the time of writing and it is therefore much easier to predict the final cost based on the amount of work that has been required to this point. The WAPC advised the Committee that the final cost of remediation is likely to be around \$3 million - a significantly lower figure.³⁴

The Committee notes that responsibility is yet to be allocated for remediation of land in the northern amendment area, which PCD's consultants estimate will cost around \$700,000.³⁵ This is not the responsibility of the State Government, but of the owner of the land, CMD.

(b) Road construction

According to the Agreement all infrastructure for the proposed project will be completed by PCD, with the exception of the Primary Regional Road (PRR). For the purposes of accommodating the relevant design concept, this work involved the realignment of Cockburn Road to run along the eastern border of the proposed development.

³¹ Environmental Protection Authority, *Metropolitan Region Scheme Amendment No 1010/33 - Port Catherine*, Bulletin 1060, August 2002, p23 (also refer to Figure 8: Soil Remediation, p24).

³² *Port Catherine Development Project Heads of Agreement (1996)*, Clause 4(c), p5.

³³ *Port Catherine Project Agreement Number 2 (2000)*, Clauses 11.1, p23.

³⁴ DPI Submission, "Background to the Port Catherine Project Agreement", 17 November 2003.

³⁵ PCD Submission, 3 November 2003, p5.

Section 14 of the Project Agreement addressed the PRR, including clause 14.4:

*14.4 WAPC will use its best endeavours to arrange for the construction of the PRR by the Commissioner of Main Roads in accordance with the preliminary designs and construction drawings and specifications...*³⁶

WAPC was required to present the merits of realigning Cockburn Road to Main Roads Western Australia, which would make the final decision as to whether it would complete the work. At the time of signing the Agreement the Government estimated a cost of \$13.5 million to realign Cockburn Road.³⁷

In March 2003, the Chairman of the WAPC advised PCD that the realignment of Cockburn Road was not a priority for Main Roads and would not be undertaken. The burden of realigning Cockburn Road is therefore left with PCD, if it chooses, and the company is currently reviewing its position.³⁸

The WAPC had fulfilled its obligations under the Agreement and the Government now faces no expense whatsoever in realigning the PRR.

At this stage the developer estimates the cost of completing this work to be around \$8.4 million, if it proceeds.³⁹

Finding 5

The Government originally pursued realignment of the Primary Regional Road, but responsibility now rests with the developer, should it choose to proceed. This work will be a significant additional impost to the developer.

(c) Land acquisition and demolition of structures at the site

Demolitions at the site were completed in line with original budget estimates of \$700,000.⁴⁰

³⁶ Port Catherine Project Agreement Number 2 (2000), Clauses 14, p26.

³⁷ DPI Submission, "Background to the Port Catherine Project Agreement", 17 November 2003.

³⁸ PCD Submission, 3 November 2003, p5-6.

³⁹ *Ibid*, p10.

⁴⁰ DPI Submission, "Background to the Port Catherine Project Agreement", 17 November 2003.

Arrangements for the WAPC to acquire land within the project area are yet to be finalised, but are likely to cost around \$13.6 million. This figure represents an increase on the \$12.5 million expected at the time of signing the Project Agreement and includes \$3.5 million spent by the Department of Commerce and Trade in the mid-1990s to acquire private land within the project area.

(d) Summary of costs

The key components of the cost to Government were established by the HOA signed in 1996. Circumstances in 2000 indicated the Government would incur a significant deficit in executing its obligations under Port Catherine Project Agreement Number 2. However, a current assessment of the Government's likely costs suggests the situation has changed considerably, as demonstrated in the following points:

- Remediation of the land to prepare it for sale to the developer was originally expected to cost around \$6 million, but is now likely to be closer to \$3 million;
- The Government originally budgeted \$13.5 million to realign the PRR, which now must be undertaken by the developer if the Project goes ahead and will not require Government expenditure; and
- The WAPC expected to pay \$12.5 million to purchase land within the Project Area that would later be sold to PCD. In the current environment the likely expenditure has increased to \$13.6 million.⁴¹

Note that these figures are approximate and by no means definitive.

The position of the State is clearly preferable in the current environment than in 2000 when it signed Project Agreement Number 2 and expected to spend almost \$33 million to complete its obligations. By contrast, the State currently predicts expenditure in the vicinity of \$17 million.⁴²

3.2 Value of land at Port Coogee

The value of Government land included for sale to the developer has been a source of significant contention. The value of land accepted formally in the Port Catherine Project Agreement Number 2 was based on a valuation process defined in the Heads of Agreement in 1996.

⁴¹ DPI Submission, "Background to the Port Catherine Project Agreement", 17 November 2003.

⁴² These figures do not include the cost of industry relocation undertaken by the Department of Commerce and Trade in the 1990s. See *Ibid.*

In accordance with the HOA, the Valuer General and a “suitably experienced and licensed private sector valuer” assessed the land.⁴³ The parties negotiated an agreed value of \$293,424 per hectare, with an escalation rate of 7% commencing from 7 May 1997, the date of the original Project Agreement. Sea bed land was originally included in this value although the escalation rate did not apply to this portion of the land.

Finding 6

The Committee is satisfied that the process to determine the value of land for sale to the developer was fair and equitable to all parties.

Project Agreement Number 2 was finalised following negotiations to address the concerns of both parties and resulted in the removal of payment for sea bed land and a reduction in the escalation rate from 7% to 5.7%. Reasons for this decision were discussed in section 2.4 of this Report.

The current determination of the purchase price was finalised in the 2000 Agreement:

*The Purchase Price payable by PCD for each part of the WAPC Land other than Sea Bed Land...will be the Purchase Price determined by applying the rate of \$293,424.00 per hectare to the area of land identified within the Development Plan ... with compound interest at the rate of five point seven per centum (5.7%) per annum calculated from 7 May 1997 to the date of completion of the purchase by PCD.*⁴⁴

At the time of writing the expected revenue from the land sale is \$19.8 million, or around \$42 per square metre in accordance with the Agreement. There has been increasing public debate as to whether this is an appropriate reflection of the land’s value.⁴⁵

The Coogee Coastal Action Coalition (CCAC) maintains that the current market value of the land is more likely to be around \$200 per square metre, based on comparisons with land sales at Leighton Beach and particularly South Beach Village. The total revenue from selling the land at this price would be around \$94 million.⁴⁶

⁴³ Port Catherine Development Project Heads of Agreement (1996), Section 5, p6.

⁴⁴ Port Catherine Project Agreement Number 2 (2000), Clause 8.1, 21.

⁴⁵ For example see Mason, G., “Coast sold for \$37 a metre”, *Sunday Times*, 28 April 2002; and Amalfi, C., “Coogee sellout claimed”, *The West Australian*, 23 September 2003.

⁴⁶ CCAC Submission, 3 November 2003, p6.

Finding 7

The land value determined in 1997, including escalation rate, significantly underestimates the current market value of the land.

It is clear that the process set in 1997 has established a price for the land incongruous with its current market value and, quite understandably, caused protest and incredulity. However, the process at the time was reasonable, as explained by Mr David Rowe of Australand:

*The fact of the matter is that it worked better under a legal agreement that was set seven years ago. Everything was set up in the Heads of Agreement. The way in which the land was to be valued was followed to the letter of the law and an escalation rate was built into it. That was historically followed through.*⁴⁷

Opposition to selling the land at such a low price was well summarised by Andrew Sullivan, Spokesperson for the CCAC, when considering the merits of the current arrangement:

*The \$42 presents itself to me as the bargain of the century...*⁴⁸

While acknowledging this view, the Committee considers that the arrangement was fair at the time of its acceptance. Based on advice given to this Inquiry, the Committee considers that the Government is bound to comply with clauses concerning general land value.⁴⁹

Finding 8

The Government's changing preferences since 1997 have resulted in amendments to the project design and delays to the development. Many delays to the project have occurred independently of the developer and its actions.

⁴⁷ Transcript of Evidence, 17 November 2003, p6.

⁴⁸ A Sullivan, CCAC Transcript of Evidence, 17 November 2003, p9.

⁴⁹ D. McLeod, Correspondence, 25 November 2003, p5

Finding 9

The Agreement does not provide opportunity for the State to revisit the valuation ascribed to the land under the Agreement.

CHAPTER 4 PROCEEDING WITH THE AGREEMENT

4.1 Returns to the State

The Committee considers that the State's principal objective when entering the Agreement to develop land at Port Coogee was to achieve beneficial use of the land at reasonable cost. The Committee considers this objective will generally be achieved by the completion of the development.

The Agreement's financial impact on the State has been discussed in previous chapters and the Committee will now summarise the general benefits of proceeding with the Agreement. These conclusions are based on consideration of outcomes that are not strictly financial in nature and largely relate to the Port Coogee area.

The completion of the development will provide comprehensive infrastructure at no cost to the State, including sewer and water connections, jetties, boat pens, construction of breakwaters, road construction and other services to all land. The developer estimates the total worth of the proposed infrastructure to be around \$94 million.⁵⁰ It should be noted that this cost is factored into the developer's assessment of completing a profitable project.

(a) Economic outcomes

The Committee accepts that there will be considerable stimulation of employment, both during and after construction. The Committee is particularly interested in the prediction that over 250 new full-time jobs will be created for people in the 15-24 age group following completion of the development.⁵¹ Additional jobs will be created indirectly.

The Committee accepts that the development will provide opportunity for recreational and tourism activities.

(b) Social outcomes

The Committee is satisfied that the development will provide reasonable social benefits to the local community and, overall, will provide a valuable focal point for the City of Cockburn. However, the Committee will comment on concerns that the development will limit public access to the coast.

⁵⁰ This figure includes \$8,400,000 budgeted for the realignment of Cockburn Road, to which PCD is yet to commit. See PCD Submission, 3 November 2003, p10.

⁵¹ See Ernst and Young, Pracys, "Statement of Economic impact of the Proposed Port Coogee Development", PCD Submission, 3 November 2003, Annexure A.

(i) ***Public Access to the Coast***

The Committee considers that public accessibility to the waterfront should be maintained wherever possible. The Committee is concerned that limited opportunities remain for public access along the coastline south of Fremantle.⁵²

Historically the area has not been conducive to the pursuits of the general public due to the industrial uses of the surrounding land. Demand for access to the beach is likely to grow following the clean up of the site and continued increases to the population in the area in the next two decades.

The Committee accepts that the nature of this development will inevitably damage, and in some places remove altogether, sections of natural beach in the project area. Strong opposition to this outcome was expressed in evidence presented to the Inquiry.⁵³ Should the loss of natural beaches be unavoidable the Committee considers that maximising public access to the waterfront within the development would improve the overall outcome.

The Committee accepts that the development plan will increase public access to the coastline compared to the current situation, but considers that access should be improved even further.

According to the development plan the public will have access to 70% of the coastline within the project area and the remaining 30% will comprise a mix of residential and commercial development.⁵⁴

Finding 10

The Committee recognises the need to include attractive commercial opportunities but considers that the ratio could be adjusted to improve public accessibility to the coastline, while maintaining a viable project outcome. Increasing the level of public access to the coast would enhance the social benefits provided by the development plan.

⁵² A. Sullivan, CCAC Transcript of Evidence, 17 November 2003, p2.

⁵³ For example, Recfishwest Submission, 3 November 2003; A. Sullivan, CCAC Transcript of Evidence, 17 November 2003, p2; and R. Scherr, CCAC Transcript of Evidence, 17 November 2003, p10.

⁵⁴ C. Lewis, PCD Transcript of Evidence, p2.

Recommendation 3

The Western Australian Planning Commission should negotiate with the developer with a view to reducing the level of residential and commercial development situated directly on the waterfront, in order to enhance public access to the coast.

(ii) Public Boat Ramp

The developer is currently considering whether the provision of a public boat ramp in the area is a workable option. If it does not proceed the developer will be required to pay \$1.5 million to the State, which should be used to facilitate construction of a boat ramp in the surrounding area.

Finding 11

An appropriately constructed public boat ramp within the development will enhance the social benefits of the development plan.

Recommendation 4

An appropriate boat ramp should be constructed within the development area by the developer.

(iii) Marina

The current marina concept was opposed in some submissions. During the inquiry there was uncertainty over whether the concept was initiated by government or the developer. It is apparent that the marina concept has been supported by the sectors of the local community, local council and successive governments and, as a result, the Committee considers that the marina is an integral component of the proposed development.

(c) Environmental outcomes

It has not been possible within the time frame of this inquiry to consider the environmental outcomes of the Port Coogee development. However, the Committee

notes that there has been an extensive period of assessment, including an evaluation completed in 2002 by the EPA that indicated the development is unlikely to compromise environmental objectives, provided recommended conditions are implemented.⁵⁵

⁵⁵ Minister for the Environment, “Statement that a Scheme may be Implemented (Pursuant to the Provisions of Division 3 of Part IV of the Environmental Protection Act 1986): Metropolitan Region Scheme Amendment No. 1010/33 Port Catherine”, Statement No 000636, 20 October 2003.

CHAPTER 5 CONCLUSION

The Committee has concluded that proceeding with the Port Catherine Project Agreement Number 2 will provide a number of worthwhile benefits to the State of Western Australia. Overall, the predicted cost to the State to fulfil its obligations according to the Agreement is justified by the positive outcomes.

There is clear concern regarding the price ascribed to Government land to be sold to the developer. The land's value was determined in 1997 and significantly underestimates the current market value, notwithstanding the escalation rate that has applied.

The Committee is satisfied that a fair process was followed in 1997 to determine the value of the land for sale. It is unreasonable to expect the valuation to have predicted the substantial appreciation to land values in the area that eventuated. In any case, the Committee considers that the Agreement does not provide opportunity for the State to revisit the valuation.

The Committee has raised concerns with certain aspects of the Agreement, which it considers should be addressed where possible. Increasing the level of public access to the coast would enhance the social benefits provided by the development plan. The Committee is concerned at the level of residential and commercial development located directly on the coastline.

The Agreement currently contains a number of deficiencies for the Government, but nonetheless provides valuable outcomes for the State. The Committee considers that most aspects of the Agreement are reasonable when considered in light of circumstances at the time of signing.

By signing the first Agreement in the mid-1990s, the Government committed to a complicated project with many uncertainties, perhaps illustrating its determination at the time to achieve a worthwhile outcome for the Coogee area, understanding the blight on this land at the time. Both the State and the developer risked significant losses when entering the Agreement and, as things stand, both parties are likely to achieve reasonably positive results.

The Committee considers that the State should fulfil its obligations under the Agreement.

Recommendation 5

The State should fulfil its obligations pursuant to Port Catherine Project Agreement Number 2, 2000.

APPENDIX ONE

SUBMISSIONS RECEIVED

Date	Name	Position	Organisation
31.10.03	Mr T Abbott		
	Mr M Bosco		
	Mr C Crook		
	Mr S De Ceglie		
	Mr T de Robertis		
	Mr R Douglas		
	Mr G Fry		
	Ms A Koios		
	Mr M Patterson		
	Mr I Ricciardi		
	Mr G Rotondella	Managing Director	Consolidated Marine Development (Australia) Pty Ltd
	Mr C Sardi		
	Mr F Scaffidi		
	Mr J Schepsis		
	Mr C Tranchita		
01.11.03	Mr C Crosetta		
03.11.03	Mr C Lewis	General Manager	Port Catherine Developments Pty Ltd
	Ms A Bilotta		
	Mr P Cappelluti		
03.11.03	Mrs C Carmichael		

PUBLIC ACCOUNTS COMMITTEE

Date	Name	Position	Organisation
	Mr G Cianfrone		
	Mr N Crane		
	Mr D De Ceglie		
	Mr M de Jesus		
	Mr L De Pinto		
	Mr De Pinto		
	Mr L Farias		
	Mr S Fazio		
	Ms M Fidele		
	Mr E Gamba		
	Mr S Merenda		
	Ms K Miller		
	Mr G Monasta		
	Ms J Nadilo		
	Mr T Pannacchione		
	Mr V Paparella		
	Mr T Pittorini		
	Mr F Prokop	Executive Director	RecFishWest (Inc)
	Mr V Reid		
	Ms H Separovic		
	Ms D Separovic		
	Mr A Sullivan	Spokesperson	Coogee Coastal Action Coalition Incorporated
	Mr M Thompson		
03.11.03	Mr F Vinci		

PUBLIC ACCOUNTS COMMITTEE

Date	Name	Position	Organisation
04.11.03	Ms W Wright		
	Ms S Cilliers		
	Mr J Giacchetta		
	Ms V Pensa		
	Mr I Thomas		
10.11.03	Mr M Watts		
17.11.03	Mr B Curtis	Director, Revitalisation Projects	Department for Planning and Infrastructure

APPENDIX TWO

BRIEFINGS HELD

Date	Name	Position	Organisation
30.10.03	Mr Brian Curtis	Director, Revitalisation Projects	Department for Planning and Infrastructure
	Ms Nanette Pitts	Project Manager	Department for Planning and Infrastructure

APPENDIX THREE

WITNESSES TO HEARINGS

Date	Name	Position	Organisation
17.11.03	Mr Brian Curtis	Director, Revitalisation Projects	Department for Planning and Infrastructure
	Ms Nanette Pitts	Project Manager	Department for Planning and Infrastructure
17.11.03	Ms Robyn Scherr	Member	Coogee Coastal Action Coalition
	Mr Andrew Sullivan	Spokesperson	Coogee Coastal Action Coalition
17.11.03	Mr Giuseppe Rotondella	Managing Director	Consolidated Marine Development (Australia) Pty Ltd
17.11.03	Mr Chris Lewis	General Manager	Australand Holdings Limited
	Mr David Rowe	State Manager - Land	Australand Holdings Limited

APPENDIX FOUR

LEGISLATION

Legislation	State (or Country)
<i>Metropolitan Region Town Planning Scheme Act 1959</i>	Western Australia
<i>Town Planning and Development Act 1928</i>	Western Australia

REFERENCES

- Amalfi, C., "Balance key to marina" *The West Australian*, 26 November 2003
- Amalfi, C., "Coogee marina still in doubt" *The West Australian*, 20 November 2003
- Amalfi, C., "Coogee sellout claimed", *The West Australian*, 23 September 2003.
- Amalfi, C., "Snapshots of the sea", *The West Australian*, 9 December 2002.
- Auditor General for Western Australia, *The Development of Coastal Marinas and Boat Harbours*, (West Perth, Office of the Auditor General, 1991).
- Chandler, M., "Australand coasts towards WA project" *Australian Financial Review*, 15 October 2002.
- ENV Australia, "South Coogee Noise and Dust Management Plan", prepared on behalf of the Department of Planning and Infrastructure, April 2002, available at the Western Australian Planning Commission website (<http://www.wapc.wa.gov.au/urbandev/port-catherine>), accessed 15 October 2002.
- ENV Australia, "South Coogee Stormwater Management Plan", prepared on behalf of the Department of Planning and Infrastructure, February 2002, available at the Western Australian Planning Commission website (<http://www.wapc.wa.gov.au/urbandev/port-catherine>), accessed 15 October 2002.
- ENV Australia, "South Coogee Transport Management Plan", prepared on behalf of the Department of Planning and Infrastructure, February 2002, available at the Western Australian Planning Commission website (<http://www.wapc.wa.gov.au/urbandev/port-catherine>), accessed 15 October 2002.
- Environmental Protection Authority, *Metropolitan Region Scheme Amendment No. 1010/33 - Port Catherine*, Bulletin 1060, August 2002.
- Environmental Protection Authority, *Remediation of contaminated land for residential purposes South Coogee*, Bulletin 957, November 1999.
- Fleming, K., "Designs on Perth's coastline" *The West Australian*, 24 September 2003.
- Gibson, D., "Coogee project to drive values", *The West Australian*, 2 October 2002.
- Gregory, A., "Leighton Plan Reborn", *The West Australian*, 9 October 2002.
- Kelly J., "Battle of the beach", *Sunday Times*, 12 October 2003.
- Kelly J., "Village by sea faces court bid" *Sunday Times*, 19 October 2003.
- "Marina fight grows", *The West Australian*, 11 February 2002.
- Mason, G., "Against the grain", *Sunday Times*, 17 February 2002.
- Mason, G., "Coast sold for \$37 a metre", *Sunday Times*, 28 April 2002.
- Minister for the Environment, "Statement that a Scheme may be Implemented (Pursuant to the Provisions of Division 3 of Part IV of the Environmental Protection Act 1986): Metropolitan Region Scheme Amendment No. 1010/33 - Port Catherine", Statement No 000636, 20 October 2003.

Port Catherine Development Project Heads of Agreement, 8 March 1996.

Port Catherine Project Agreement Number 1, 17 May 1997.

Port Catherine Project Agreement Number 2, 28 June 2000.

Rasdien, P., "Cockburn marina plan a step closer" *The West Australian*, 18 January 2002.

Rasdien, P., "Toxic danger warning over planned marina" *The West Australian*, 2 February 2002.

Southwell, M., "Marina gets EPA approval", *The West Australian*, 23 August 2002.

"WA hotspots", *Sunday Times*, 17 February 2002.