

Agenda

Ordinary Meeting

Thursday, 7 December 2017

commencing at 9.00am

Council Chambers, Corner Currie and Bury Streets, Nambour

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
1	DECLARATION OF OPENING	5
2	WELCOME AND OPENING PRAYER	5
3	RECORD OF ATTENDANCE AND LEAVE OF ABSENCE	5
4	RECEIPT AND CONFIRMATION OF MINUTES	5
5	OBLIGATIONS OF COUNCILLORS	5
5.1	DECLARATION OF MATERIAL PERSONAL INTEREST ON ANY ITEM OF BUSINESS	5
5.2	DECLARATION OF CONFLICT OF INTEREST ON ANY ITEM OF BUSINESS	5
6	MAYORAL MINUTE	5
7	PRESENTATIONS / COUNCILLOR REPORTS	5
8	REPORTS DIRECT TO COUNCIL	7
8.1	BUSINESS PERFORMANCE	7
8.1.1	EXCEPTIONS UNDER LOCAL GOVERNMENT REGULATION 2012 FOR COMMUNITY ORGANISATIONS	7
8.1.2	SALE OF SURPLUS COUNCIL PROPERTY	13
8.1.3	OCTOBER 2017 FINANCIAL PERFORMANCE REPORT	21
8.2	CUSTOMER ENGAGEMENT AND PLANNING SERVICES	37
8.3	LIVEABILITY AND NATURAL ASSETS	39
8.3.1	COASTAL PATHWAY LINEAR OPEN SPACE MASTER PLAN	39
8.3.2	SUNSHINE COAST COUNCIL LOCAL GOVERNMENT AREA BIOSECURITY PLAN 2017	61
8.4	BUILT INFRASTRUCTURE	127
8.4.1	INFRASTRUCTURE CHARGES RESOLUTION AMENDMENTS ..	127
8.5	ECONOMIC AND COMMUNITY DEVELOPMENT	247
8.5.1	CONTINUATION OF SUPPORT FOR THE SUNSHINE COAST AERO CLUB LTD	247

- 8.6 OFFICE OF THE MAYOR AND CEO251
- 9 NOTIFIED MOTIONS252
 - 9.1 NOTICES OF RESCISSION252
 - 9.2 NOTICES OF MOTION.....252
 - 9.3 FORESHADOWED NOTICES OF MOTION252
- 10 TABLING OF PETITIONS252
- 11 CONFIDENTIAL SESSION253
 - 11.1 BUSINESS PERFORMANCE253
 - 11.1.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - LAND ACQUISITIONS AND DISPOSALS.....253
 - 11.1.2 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - PROPERTY MATTER YANDINA253
 - 11.2 CUSTOMER ENGAGEMENT AND PLANNING254
 - 11.2.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - SUNSHINE COAST PLANNING SCHEME 2014 - PROPOSED ROUND 5B AMENDMENT - ROOFTOP USES.....254
 - 11.3 LIVEABILITY AND NATURAL ASSETS255
 - 11.3.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - PROPERTY ACQUISITION AT 5 ELIZABETH STREET, KENILWORTH.....255
 - 11.4 BUILT INFRASTRUCTURE.....256
 - 11.5 ECONOMIC AND COMMUNITY DEVELOPMENT256
 - 11.6 OFFICE OF THE MAYOR AND CEO256
- 12 NEXT MEETING.....256
- 13 MEETING CLOSURE.....256

1 DECLARATION OF OPENING

On establishing there is a quorum, the Chair will declare the meeting open.

2 WELCOME AND OPENING PRAYER**3 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE****4 RECEIPT AND CONFIRMATION OF MINUTES**

That the Minutes of the Ordinary Meeting held on 9 November 2017 be received and confirmed.

5 OBLIGATIONS OF COUNCILLORS**5.1 DECLARATION OF MATERIAL PERSONAL INTEREST ON ANY ITEM OF BUSINESS**

Pursuant to Section 172 of the *Local Government Act 2009*, a councillor who has a material personal interest in an issue to be considered at a meeting of the local government, or any of its committees must –

- (a) inform the meeting of the councillor's material personal interest in the matter; and
- (b) leave the meeting room (including any area set aside for the public), and stay out of the meeting room while the matter is being discussed and voted on.

5.2 DECLARATION OF CONFLICT OF INTEREST ON ANY ITEM OF BUSINESS

Pursuant to Section 173 of the *Local Government Act 2009*, a councillor who has a real or perceived conflict of interest in a matter to be considered at a meeting of the local government, or any of its committees must inform the meeting about the councillor's personal interest the matter and if the councillor participates in the meeting in relation to the matter, how the councillor intends to deal with the real or perceived conflict of interest.

6 MAYORAL MINUTE**7 PRESENTATIONS / COUNCILLOR REPORTS**

8 REPORTS DIRECT TO COUNCIL**8.1 BUSINESS PERFORMANCE****8.1.1 EXCEPTIONS UNDER LOCAL GOVERNMENT REGULATION 2012 FOR COMMUNITY ORGANISATIONS****File No:** Council meetings**Author:** Coordinator Land Management
Business Performance Group**Appendices:** App A - List of Community Groups with a lease expiring in 2018
..... 11

PURPOSE

The purpose of this report is to seek exceptions from Council, in accordance with the *Local Government Regulation 2012*, to enter into leases with a government agency and community organisations, other than through a tender or auction process.

EXECUTIVE SUMMARY

Council has a large number of leases in place with community groups across the Sunshine Coast. These groups provide an important array of community, sporting and cultural services. To assist these community groups in the continued delivery of these services, it is proposed that council resolve to make an exception to the tender process that will provide continuity of occupation to the existing users and beneficiaries of the sites.

The *Local Government Regulation 2012*, section 224(6) states that 'the grant of a lease over land or buildings' is a disposal of a valuable non-current asset and section 227 further states that this disposal must be by written tender or auction.

Section 236(1) lists allowable exceptions to the tender or auction process.

Government agencies and community organisations are excepted under section 236(1)(b), 'if the local government has decided by resolution, the exception may apply' under section 236(2).

Council currently have 23 existing leases to community organisations due to expire throughout 2018, listed in Appendix A - *List of Community Groups with a Lease Expiring in 2018*.

Leases are planned to be offered to these organisations in accordance with the strategic policy, *Community Groups Occupying Council Owned or Controlled Land and/or Infrastructure*, for the standard term of 10 years and under Council's standard terms community lease.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Exceptions under Local Government Regulation 2012 for Community Organisations”
- (b) resolve in accordance with section 236(2) of the *Local Government Regulation 2012* (“Regulation”) that the exception under the section 236(1)(b) of the Regulation applies to the disposal (lease) of those properties and to those community organisations (Appendix A) and
- (c) resolve to enter into a community lease arrangement with the community organisations (Appendix A).

FINANCE AND RESOURCING

The annual rent for each lease is listed in Appendix A - *List of Community Groups with a Lease Expiring in 2018*. In accordance with Council’s Fees and Charges for 2017/18, one unit of rent is equivalent to \$255 (inclusive of GST). Based on the 2017/18 unit value, the revenue that Council could expect to receive for rent over the next ten years from these 23 community organisations is \$102,000.

CORPORATE PLAN

Corporate Plan Goal: *Service excellence*

Outcome:

Operational Activity:

We serve our community by providing this great service
S24 - Property management - comprehensive management of Council's land and building assets to ensure that Council's property dealings are optimised, centrally managed, and support Council's objectives.

CONSULTATION

Portfolio Councillor Consultation

Councillor McKay – Portfolio Councillor for Community and Environment

Internal Consultation

- Division 1 Councillor R Baberowski
- Division 2 Councillor T Dwyer
- Division 4 Councillor J Connolly
- Division 5 Councillor J McKay
- Division 6 Councillor C Dickson
- Division 8 Councillor J O’Pray
- Division 9 Councillor S Robinson
- Division 10 Councillor G Rogerson
- Team Leader Sports Planning and Development
- Team Leader Community Development
- Community Project Officer

It should be noted that Division 3 and Division 7 do not have any lease renewals for 2018, therefore these councillors were not consulted in regards to this report.

External Consultation

Due to the internal administrative nature of this report there has been no external consultation. Should Council resolve to grant the exception, engagement will commence with the proposed lessees.

Community Engagement

Due to the internal administrative nature of this report there has been no community consultation.

PROPOSAL

Council has a large number of leases in place with community groups across the Sunshine Coast. These groups provide an important array of community, sporting and cultural services. To assist these community groups in the continued delivery of these services, it is proposed that council resolve to make an exception to the tender process that will provide continuity of occupation to the existing users and beneficiaries of the sites.

The outcomes that this action are expected to contribute include:

- support community groups to contribute to the development of the Sunshine Coast community
- promote resilience in community groups
- provide incentives to look after assets within their occupancy arrangements.

The *Local Government Regulation 2012*, section 224(6) provides that 'the grant of a lease over land or buildings' is a disposal of a valuable non-current asset and section 227 provides that this disposal must be by written tender or auction.

Section 236(1) lists allowable exceptions to the tender or auction provision.

Government Agencies and community organisations are excepted under section 236(1)(b), 'if the local government has decided by resolution, that the exception may apply' under section 236(2).

Appendix A - *List of Community Groups with a Lease Expiring in 2018* identifies the 23 existing leases to community organisations that are expiring in 2018.

Any offer of a lease will be subject to the process of review including membership, financial sustainability and overall service to the community.

Leases are planned to be offered in accordance with the strategic policy, *Community Groups Occupying Council Owned or Council Controlled Land and/or Infrastructure*, for the standard term of 10 years and under Council's standard terms and community lease.

Legal

Consultation with Council's Legal Services will occur as individual leases fall due.

Local Government Regulation 2012

236 Exceptions for valuable non-current asset contracts

- (1) *Subject to subsections (2) to (4), a local government may dispose of a valuable non-current asset other than by tender or auction if—*
 - (a) *the valuable non-current asset—*
 - (i) *was previously offered for sale by tender or auction but was not sold; and*
 - (ii) *is sold for more than the highest tender or auction bid that was received; or*
 - (b) *the valuable non-current asset is disposed of to—*
 - (i) *a government agency; or*
 - (ii) *a community organisation;*

Policy

This request is in accordance with the following Council policies:

- *Procurement Policy*, and
- *Community Groups Occupying Council Owned or Council Controlled Land and/or Infrastructure*

Risk

There are no risks identified as being relevant to this report.

Previous Council Resolution

There is no previous Council resolution relevant to this report.

Related Documentation

There is no related documentation relevant to this report.

Critical Dates

While there are no specific critical dates, the leases identified in Appendix A - *List of Community Groups with a Lease Expiring in 2018* will require discussions with groups to commence progressively throughout 2018, as individual leases approach expiry.

Implementation

Should Council resolve that exceptions apply, new leases will be registered as they are executed.

8.1.2 SALE OF SURPLUS COUNCIL PROPERTY

File No: Council meetings
Authors: Coordinator Strategic Property
Business Performance Group
Principal Property Officer
Business Performance Group

PURPOSE

The purpose of this report is to seek Council's approval for the sale of three properties owned by Council in freehold. The properties are considered surplus to requirement and are proposed to be disposed of in accordance with *Local Government Regulation 2012*. Approval is also sought to declare an Operational Reserve (Carparking) as surplus to Council requirements to enable Council to take advantage of the Department of Natural Resources and Mines' (DNRM's) current Revenue Share Policy.

EXECUTIVE SUMMARY

The Office of Strategic Property continually reviews Council's land holdings to identify property which may be surplus to requirements and suitable for disposal.

Four properties have been identified which are considered suitable for disposal:

- 4 Pacey Street, Eumundi
- 3 Coora Crescent, Currimundi
- 56 Arundell Avenue, Nambour
- 4 Coora Crescent, Currimundi (Reserve for carparking)

All of the above properties have been reviewed internally through the Integrated Property Strategy Team, and have previously been presented to Council at the Strategic Land Acquisition and Disposal Workshop held on 30 October 2017.

This report recommends the disposal of the properties identified above in accordance with *Local Government Regulation 2012* and the Department of Natural Resources and Mines' (DNRM's) current Revenue Share Policy for Local Government Operational Trust Land.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Sale of Surplus Council Property"
- (b) resolve to dispose of 4 Pacey Street, Eumundi, described as Lot 3 on RP56472 by public auction or tender
- (c) resolve to dispose of 3 Coora Street, Currimundi, described as Lot 219 on C9287 by public auction or tender
- (d) resolve to dispose of 56 Arundell Avenue, Nambour, described as Lot 1 on SP287420 by public auction or tender
- (e) resolve that, if the above properties are not sold when offered for sale by public auction, then pursuant to section 236(2) of *Local Government Regulation 2012*, an exception under section 236(1)(a) applies provided the property is disposed:
 - (i) for more than the highest tender or auction bid that was received and

- (ii) for consideration equal to or more than the market value of the land, including the value of any improvements on the land.

FINANCE AND RESOURCING

In accordance with *Local Government Regulation 2012* the sale of the three freehold properties is required to be for an amount equal to or more than the market value of the land, including the value of any improvements. Market value is required to be established by a written report from a valuer registered under the *Valuers Registration Act 1992*, who is not an employee of the local government.

The Operational Reserve proposed to be declared as surplus under the DNRM's Revenue Share Policy will undergo assessment, allocation and disposal in accordance with the *Land Act 1994* and the State government's land disposal policies. In the event of a sale of surplus operational trust land (with or without competition; or to a public sector agency) and after settlement, 50% of the purchase price (excluding GST), less DNRM's fee and any other costs will be remitted to the respective local government.

CORPORATE PLAN

Corporate Plan Goal: *An outstanding organisation*
Outcome: 5.3 - A financially sustainable organisation
Operational Activity: 5.3.7 - Sustainable financial position maintained.

CONSULTATION

Portfolio Councillor Consultation

Councillor Robinson - Portfolio Councillor for Economic Development and Innovation.

Internal Consultation

The properties were presented to the Integrated Property Strategy Team Meeting, which deals with strategic property matters, on 19 September 2017. There were no objections from senior staff to dispose of the properties. The land was also presented to Council at the Strategic Land Acquisition and Disposal Workshop held on 30 October 2017.

External Consultation

No external consultation has been undertaken in relation to this report.

Community Engagement

No external community engagement has been undertaken in relation to this report.

PROPOSAL

The properties identified as suitable for disposal are discussed in the following sections of this report.

4 Pacey Street, Eumundi

The subject site, known as 4 Pacey Street, Eumundi, is described as Lot 3 on RP56472. It comprises an area of 1396m² but much of the site is steep embankments, formed to create a larger flat benched area.

This benched area is currently used as an unofficial carpark by stall-holders on market days, and also when a large event is occurring at the community hall land on the corner of Memorial Drive and Pacey Street. Due to the steep topography in this part of the Eumundi Township, the site is well up the hill, and physically removed from Memorial Drive and the adjoining community hall. There are no anticipated future Council uses of the site, nor is the site incorporated in any policy documentation.

The subject site is zoned for Low Density Residential purposes. The use of the site as a carpark is inconsistent with the current zoning.

Summary

Given that the site is not required for any Council purpose, it is recommended the site be considered for sale for residential purposes, consistent with its zoning as Low Density Residential.

3 Coora Crescent, Currimundi

The subject site, known as 3 Coora Crescent, Currimundi, is described as Lot 219 on C9287. The site has been held by Council since it was acquired in 1997 due to non-payment of rates by the former owner. The site has an area of 506m².

The site is a vacant, grassed residential lot at the rear of the shops fronting Nicklin Way. Even though small in area, the site has a wide frontage, making it very attractive to use as a duplex, despite the awkward shaping of the road network in this part of Coora Crescent.

There are no anticipated future Council uses of the site, nor is the site incorporated in any policy documentation.

However, of key note is the fact that a light rail stop may be located in close proximity on Nicklin Way.

Sunshine Coast Planning Scheme

The subject site is zoned for Low Density Residential purposes. All the land in Coora Crescent, with the exception of No's 2 and 4, and No. 1 on the corner lot of Nicklin Way, are zoned Low Density Residential. The site situated at No. 1 Coora Crescent is zoned District Centre zone, and No's 2 and 4 are zoned Local Centre Zone.

Holding the site until there is "uplift" resulting from the future proposed public transit projects was considered. However, the site is quite small in area (506m²) and is already capable of development for a duplex. Unless there is a very substantial change in building height, sufficient to warrant basement construction, then the yield on this site is unlikely to rise significantly, giving rise to additional accrued value. The value of the invested income is likely to outweigh any additional return in another 5 to 10 years. However, if Council were to undertake a program of acquisition of adjoining sites, there may be a better value capture opportunity. This will be investigated further prior to disposal.

Rezoning of the site to a more advantageous zoning has also been considered. Any change to the zoning for Higher Density Residential (say, to Medium Density Residential) would be entirely inconsistent with the surrounding residential area until such time as the whole of the neighborhood is considered as part of “uplift” around the light rail project. This could be many years away.

The only possible rezoning would be to extend the District Centre zoning around the corner from Nicklin Way. While this is a possibility, it is unlikely to receive local support from residents of Doondoon Street or Coora Crescent as it will draw additional traffic, noise and night time lighting and activity into this quiet neighborhood. It would also take a minimum of 2 years to achieve through a planning scheme amendment, possibly cancelling out any additional value for the allotment.

Summary

Given that the site is not required for any Council purpose, it is recommended the site be considered for sale for residential purposes, consistent with its current zoning as Low Density Residential and it is appropriate that the site be put to the market for sale.

56 Arundell Avenue, Nambour



The subject site, known as 56 Arundell Avenue, Nambour, is described as Lot 1 on SP287420. The site was acquired in the last few years in order to obtain the necessary road widening to undertake the upgrade of this busy intersection, which now leads directly to the Coles Shopping Centre from the western areas of Nambour, Burnside and Coes Creek. The road widening area has now been taken and Lot 1 is the new residue lot.

The residual site comprises an area of 3319m² and is currently used for an array of older, metal industrial sheds, some of which are still tenanted on short term leases. The residue site is immediately adjoining vacant land held by Coles Group Property Developments Pty Ltd. This vacant land is immediately south of the large carpark which serves the Coles development. It should be noted that the design of the intersection has only recently been finalised and Transport and Infrastructure Policy Branch have advised that it will require an

additional one metre in width across the Mill Lane frontage of this site. It is necessary, therefore, that any resolution to dispose of the site acknowledges that the lot description of the land will change as a result of further reconfiguration.

There are no anticipated future Council uses of the residual site, nor is the site incorporated in any policy documentation. It has been determined that Council has no intended purpose for the residue and this can now be re-sold.

Sunshine Coast Planning Scheme

The subject site is zoned for Major Centre purposes, consistent with the zoning which covers the central town business area, including the adjoining Coles development and vacant land. The zoning allows for all central town uses, including supermarkets, discount department stores and shops, offices, commercial parking stations etc.

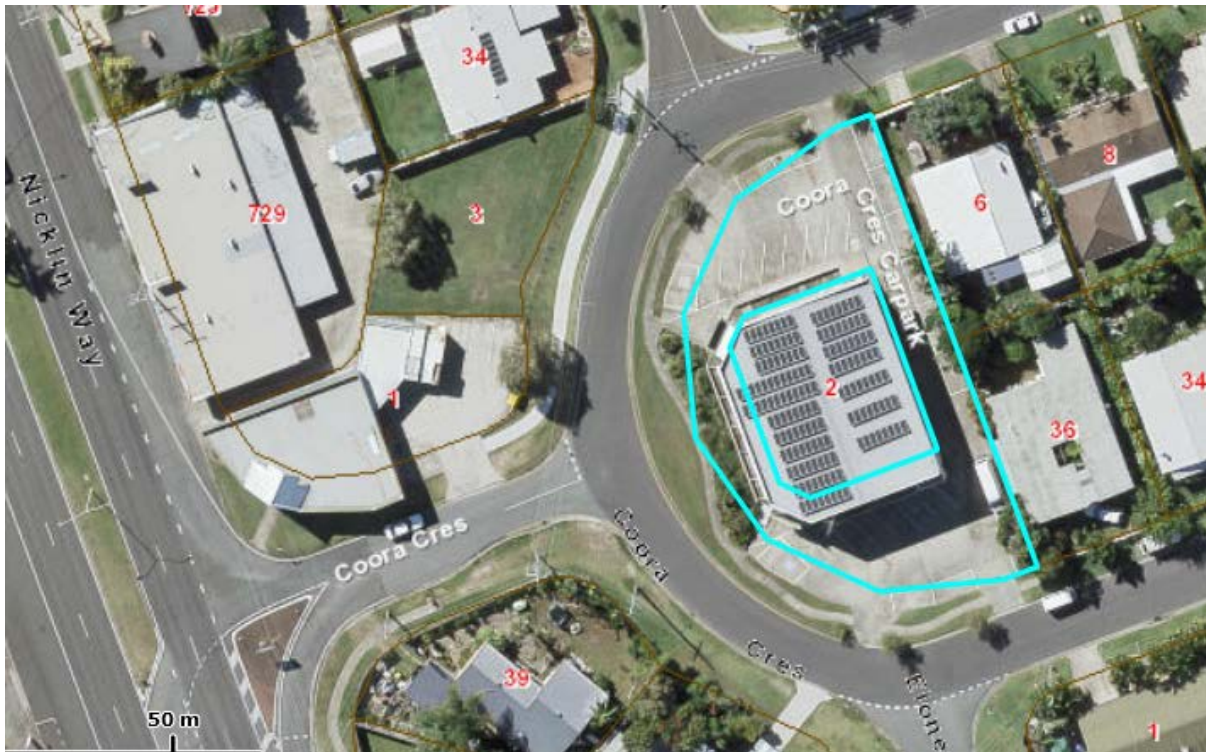


Summary

Given that the site is not required for any Council purpose, it should be considered for sale for commercial purposes, consistent with its zoning as Major Centre.

4 Coora Crescent, Currumbundi (Reserve)

The subject site is a State government reserve for carpark which surrounds a small local retail/commercial development. It has an area of 1,169m² and is zoned Local Centre under the 2014 Planning Scheme. The site is entirely used for carparking and on-site deliveries for the benefit only of the adjoining building.



The adjoining owners have no formal tenure over the Reserve and consequently the cost of maintenance and upkeep rests with Council as an ongoing liability.

Under the current Revenue Share Policy, Council has the option to declare the Reserve as surplus to its service delivery requirements and if then sold by the DNRM, Council would be entitled to 50% of the sale price (excluding GST), less DNRM's fee and any other costs. In this instance, the only likely purchaser is the owner of No. 2 Coora Crescent.

Issues to be resolved:

- The origins of the land need to be thoroughly investigated to ensure it was not purchased by Council in the past and previous prevailing policies did not allow for freehold title to be held by the local government.
- The carpark is not entirely contained in the reserve and spills onto the footpath/verge of the road reserve. Given the long period over which this has existed, there is little to be gained by forcing removal. There is a formal and adequate concrete footpath to serve the needs of the general public. Any issues of encroachment may be considered at the time of assessment of future development approvals.

Recommendation:

That Council resolve to declare the property as surplus to its service delivery requirements and enter into negotiations with the DNRM to finalise assessment of the reserve in accordance with the current Revenue Share Policy. This may include discussions with the adjoining owner at 2 Coora Crescent, Currimundi.

Legal

There are no legal implications relevant to this report.

Policy

There are no known Council policies applying to the possible sale of the freehold sites.

The Department of Natural Resources and Mines' (DNRM's) current Revenue Share Policy for Local Government Operational Trust Land applies to the Operational reserve located at 4 Coora Crescent, Currimundi.

Risk

The sale of 4 Pacey Street, Eumundi may result in some complaints from market stall-holders due to the loss of carparking to the town during market periods.

Previous Council Resolution

There is no previous Council resolution relevant to this report.

Related Documentation

There is no related documentation relevant to this report.

Critical Dates

There are no critical dates relevant to this report.

Implementation

It is recommended that direction be given to the Chief Executive Officer to:

- take action to dispose of the freehold properties identified in this report at the most appropriate time and in accordance with *Local Government Regulation 2012*; and
- take action to dispose of the operational reserve identified in this report at the most appropriate time and in accordance with the Department of Natural Resources and Mines' (DNRM's) current Revenue Share Policy for Local Government Operational Trust Land.

8.1.3 OCTOBER 2017 FINANCIAL PERFORMANCE REPORT

File No:	Financial Reports
Author:	Coordinator Financial Services Business Performance Group
Attachments:	Att 1 - October Financial Performance Report29

PURPOSE

To meet legislative obligations, a monthly report must be presented to Council on regarding its financial performance and investments.

EXECUTIVE SUMMARY

This monthly financial performance report provides Council with a summary of performance against budget as at 31 October 2017 in terms of the operating result and delivery of the capital program.

A number of budget adjustments were adopted by Council at the November Ordinary Meeting, and are not recognised as part of the Current Budget until the November financial report. However, the attached financial report details the Current adopted budget, following budget review 1 and the forecast budget, which incorporates the most recent adjustments. To provide Council with the latest information the year to date results will be reported against the forecast budget.

The operating result at 31 October 2017 shows a positive variance of \$5.3 million compared to the forecast budget. The variation is made up of higher than profiled operating revenue and lower than profiled operating expenses as shown in the table below. Further detail is provided in the proposal section of this report.

Operating Performance**Table 1: Operating Result as at 31 October 2017**

October 2017	Forecast Budget \$000	YTD Forecast Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Operating Revenue	437,209	175,083	177,819	2,736	1.6
Operating Expenses	420,485	138,302	135,702	(2,600)	1.9
Operating Result	16,724	36,781	42,117	5,336	14.5

Achievement of the full year budgeted operating result will allow Council to meet its debt repayments and capital expenditure commitments.

As at 31 October 2017, \$54.3 million (20.2%) of Council's \$269.2 million Forecast 2017/18 Capital Works Program was financially expended.

The core Council Capital Program has progressed 26.4% of budget, an actual spend of \$38.0 million.

Council's investment portfolio remains within the guidelines established under the Investment Policy.

OFFICER RECOMMENDATION

That Council receive and note the report titled “October 2017 Financial Performance Report”

FINANCE AND RESOURCING

There are no finance and resourcing implications from this report.

CORPORATE PLAN

Corporate Plan Goal: *An outstanding organisation*
Outcome: 5.3 - A financially sustainable organisation
Operational Activity: 5.3.7 - Sustainable financial position maintained.

CONSULTATION

Portfolio Councillor Consultation

Consultation has been undertaken with the Portfolio Councillor.

Internal Consultation

All departments and branches participated in the formation of the recommendations associated with this report.

External Consultation

No external consultation is required for this report.

Community Engagement

No community engagement is required for this report.

PROPOSAL

This monthly financial performance report provides Council with a summary of performance against budget as at 31 October 2017 in terms of the operating result and delivery of the capital program.

The operating result at 31 October 2017 shows a positive variance of \$5.3 million compared to the forecast budget.

Operating Revenue

As at 31 October 2017, year to date revenues (of \$177.8 million) shows a positive variance of \$2.7 million.

Table 2: Substantial Revenue variances as at 31 October 2017

Operating Revenue Large Variances	YTD Forecast Budget \$000	YTD Actual \$000	YTD Variance \$000	Variance %
Net Rates and Utility Charges	134,458	134,992	534	0.4
Fees and Charges	21,676	22,699	1,023	4.7
Other Revenue	3,203	4,202	999	31.2

Net Rates and Utility Charges

The favourable variance of \$534,000 is less than 1% of year to date budget and relates to prepaid rates.

Fees and Charges

Fees and charges revenue of \$22.7 million, is \$1.0 million ahead of year to date forecast budget as at 31 October 2017. The significant items contributing to this variance are:

- \$711,000 variance in Development Services, relates to higher volumes of applications in plumbing services; as well as higher value applications in planning assessment
- \$260,000 in Waste Management as higher tip usage continued for October.

Other Revenue

Other revenue is ahead of the profiled budget to date by \$999,000 this is made up of:

- \$221,000 in Waste Management for higher sales of recyclables and additional revenues for gas flaring.
- \$210,000 generated through sundry recoupments in Community Response.
- \$197,000 for higher lease revenues in Property Management. This is a timing issue with the full second quarter rental payments being received in October.
- \$180,000 in additional revenue for Major Urban Development Projects, which will be recognised at budget review 2 with an associated expenditure budget.
- \$178,000 for Economic Development workshop fees and stall holders fees generated from the Caloundra Music Festival.

Operating Expenses

Year to date expenditure as at 31 October 2017 of \$135.7 million shows a variance under budget of \$2.6 million.

Employee Costs

As at 31 October 2017 employee costs are ahead of budget by \$941,000, equating to 2% of the year to date budget. Most branches across Council are tracking under budget in core services. The variance relates somewhat to capital delivery, whereby the budget is recognised in materials and services, with the remainder attributable to a once off project. The trend is not anticipated to continue throughout the year and the impact to full year budget is less than 1%.

Materials and Services

Materials and services are under budget as at 31 October 2017 by \$3.7 million. The variance predominantly relates to the delivery of core programs and is consistent across all departments.

Waste Management has incurred lower costs to date across several activities in the Recovery, Diversion and Disposals Unit, predominantly relating to contract services, totalling \$822,000. Operational savings may be recognised for reduced leachate removal costs due to capital improvements. Costs associated with transporting green waste are also lower this year. This will be monitored over the coming months.

Fleet and Quarry Services are reporting under budget at the end of October by \$387,000. This is due to service and maintenance costs for heavy plant tracking under budget and the crushing contract at the Quarry not yet commenced.

\$353,000 variance relates to Parks and Gardens, with underspends across parks services. Arborist activities is also reporting a year to date underspend, however additional funds

allocated in 2017/18 to address a backlog have been expended in full at the end of October. This will see costs returning to the core program which will utilise the full year budget.

Community Relations are reporting a year to date underspend of \$352,000. The variance relates to the timing for delivery of library programs with a number of other minor variances across the branch.

Capital Expenditure

As at 31 October 2017, \$54.3 million (20.2%) of Council's \$269.2 million 2017/18 Capital Works Program was financially expended.

Table 5: Capital Expenditure by Program at 31 October 2017

Capital Works Program	Forecast Budget \$000	YTD Actual \$000	% Forecast Budget Expended	Forecast Year End Actual \$000
Aerodromes	497	6	1.2	462
Buildings and Facilities	13,028	3,248	24.9	12,163
Coast and Canals	2,363	262	11.1	2,272
Divisional Allocations	5,238	335	6.4	1,563
Environmental Assets	670	42	6.3	724
Fleet	3,000	110	3.7	2,995
Holiday Parks	1,433	98	6.8	1,362
Information Technology	3,983	437	11.0	3,497
Parks and Gardens	15,478	5,180	33.5	15,252
Quarries	608	15	2.5	176
Stormwater	7,549	1,291	17.1	6,721
Strategic Land and Commercial Properties	12,797	6,123	47.8	13,042
Sunshine Coast Airport	1,123	658	58.6	1,370
Transportation	59,323	18,451	31.1	56,910
Waste	17,152	1,777	10.4	10,664
Total SCC Core Capital Program	144,241	38,032	26.4	129,172
Corporate Major Projects	10,338	2,412	23.3	5,082
Maroochydore City Centre	47,162	10,056	21.3	47,187
Sunshine Coast Airport Runway	67,501	3,838	5.7	70,562
Total Other Capital Program	125,001	16,305	13.0	122,832
TOTAL	269,242	54,337	20.2	252,004

SCC Core Capital Program

The core Council Capital Program has progressed 26.4% of budget, an actual spend of \$38.0 million. The Actual YTD includes all works that have been goods receipted and accrued as at 31 October 2017. The table above shows the actual expenditure against full year forecast budget by program, as well a forecast actual at year end.

Currently the core program is forecasting 89.6% of program delivery at year end, indicating some funding may be deferred at the next Budget Review. Four programs are currently forecasting a year end result below the 90% benchmark.

- Divisional Allocations – the lower forecast reflects the value of the program yet to be allocated to specific projects.
- Information Technology – The Human Resource Information System project has been rescheduled to align with delivery of other major corporate systems.

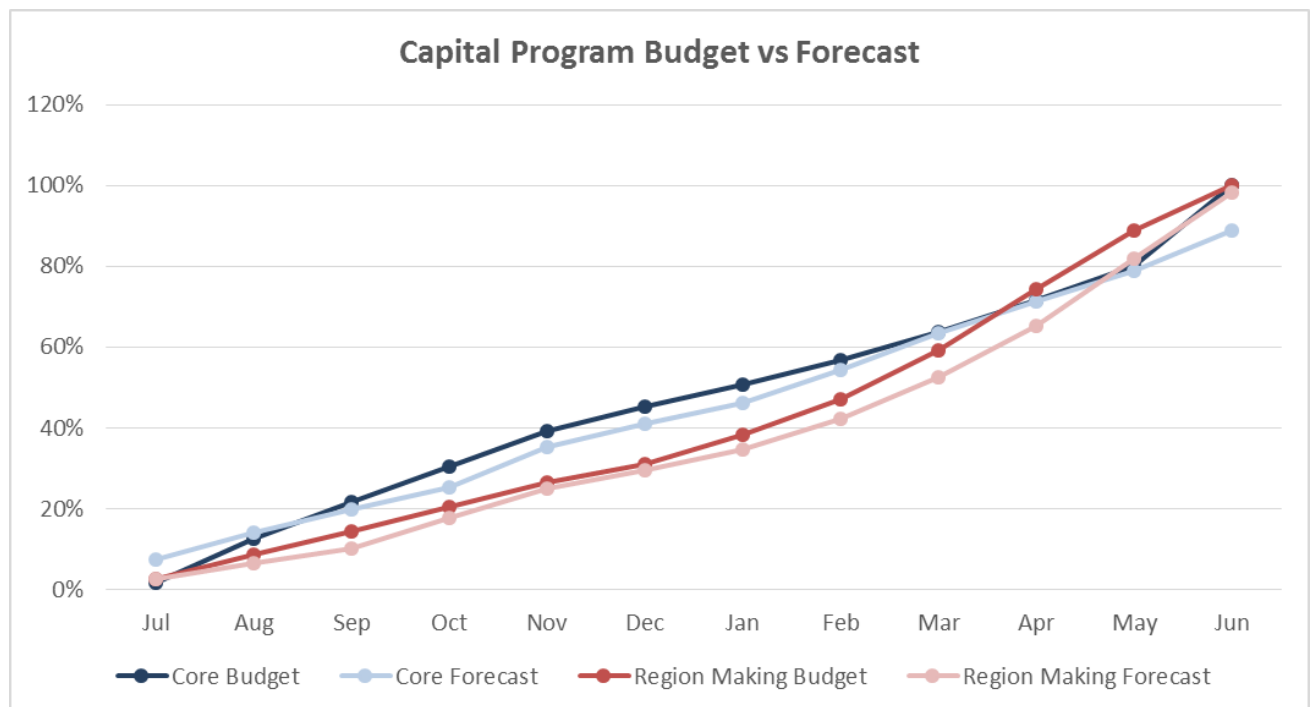
- Quarries – The program has been reduced to recognise the deferral of major components to 2019/20. There remains some uncertainty around the remaining projects which will be reviewed as part of Budget Review 2. The forecast currently shown is to deliver a new weighbridge system.
- Waste Management – The year end forecast for Waste incorporates delays to works at the Nambour Resource Recovery Centre, which will now commence mid 2018 and continue into the 2018/19 financial year. The Automatic Waste Collection System Project is currently undergoing a value engineering exercise and reviewing alternative design options. Both of these projects will be adjusted at Budget Review 2.

Corporate Major Projects & Region Making Program

Other major projects have expended 13% of full year budget as at 31 October 2017, and are forecasting a year end result of 98.3% or \$122.8 million.

- Corporate Major Projects – Current forecasts only reflect delivery of half the program due to uncertainty around the delivery of street lighting conversion to LED. A pilot project will be undertaken to inform an updated business case.
- Maroochydore City Centre – 21.3% Actual spend to date predominantly relates to progress on Aerodrome road and overall project management and finance costs. Expenditure within the PDA is currently 10% of total budget but it should be noted that there is a timing delay from when works are progressed on-site to them appearing in Councils finance system. Apart from noting this timing delay there is no further action required as the process is streamlined and is working efficiently. The program is currently forecasting to budget.
- Sunshine Coast Airport Expansion – A year to date actual of 5.7% has been achieved. The Design and Construction tender assessment and contract award will be completed in December. Significant expenditure is expected to occur once sand dredging begins next calendar year. The dredging cannot commence until after the environmental protection period to March 2018, which relates to turtle nesting at Maroola Beach.

The following graph shows the profile of the year end forecasts against budget for the core and region making programs.



Investment Performance

- All investment parameters remain within the guidelines established by the Investment Policy.
- For the month ending 31 October 2017 Council had \$296 million cash (excluding Trust Fund) with an average interest rate of 2.59%, being 0.87% above benchmark. This is compared to the same period last year with \$340 million cash (excluding Trust Fund) with an average interest rate of 2.88%, being 1.13% above benchmark.
- The benchmark used to measure performance of cash funds is Bloomberg AusBond Bank Bill Index (BAUBIL) and the Bank Bill Swap Rate (BBSW) for term deposits.

Legal

This report ensures that Council complies with its legislative obligations with respect to financial reporting in accordance with Section 204 of the *Local Government Regulation 2012*.

Investment of funds is in accordance with the provisions of the *Statutory Bodies Financial Arrangements Act 1982* and the associated Regulations and the *Local Government Act 2009*.

Policy

Council's 2017/18 Investment Policy; 2017/18 Debt Policy.

Risk

Failure to achieve the budgeted operating result will negatively impact Council's capacity to complete its capital expenditure program.

Previous Council Resolution**Special Meeting Budget 15 June 2017 (SM17/34)**

That Council:

- receive and note the report titled "Adoption of the 2017/18 Budget and Forward Estimates for the 2018/19 to 2026/27 Financial Years"*
- adopt the 2017/18 Budget Schedules (Appendix A) including Forward Estimates and*
- adopt the 2017/18 Capital Works Program, endorse the indicative four-year program for the period 2018/19 to 2021/22, and note the five-year program for the period 2022/23 to 2026/27 (Appendix B).*

Budget Review 1, 14 September 2017 (OM17/175)

That Council:

- receive and note the report titled "Budget Review 1 2017/18" and*
- adopt the amended 2017/18 Budget Financial Statements to include the identified operating and capital budget adjustments (Appendix A)*

Ordinary Meeting 12 October 2017 (OM17/204)

That Council:

- (a) *delegate authority to the Chief Executive Officer to enter into negotiations and processes to execute and finalise the acquisitions as discussed in the confidential session*
- (b) *resolve, pursuant to section 236(2) of the Local Government Regulation 2012, that an exception to dispose of an interest in land (easement/s) on the sites as discussed in the confidential session, other than by tender or auction applies as the disposal is pursuant to s236(1)(b)(i) to a government agency and*
- (c) *request the Chief Executive Officer to provide a further report to council on the outcomes of the negotiations with Department of Natural Resources Mines.*

Related Documentation

2017/18 Adopted Budget

Critical Dates

There are no critical dates for this report.

Implementation

There are no implementation details to include in this report.

8.2 CUSTOMER ENGAGEMENT AND PLANNING SERVICES

Nil

8.3 LIVEABILITY AND NATURAL ASSETS

8.3.1 COASTAL PATHWAY LINEAR OPEN SPACE MASTER PLAN

File No:	D-635
Author:	Landscape Architect / Urban Design Built Infrastructure Group
Appendices:	App A - Coastal Pathway Linear Open Space Master Plan ... 5/155 App B - Coastal Pathway Master Plan Maps 33/155
Attachments:	Att 1 - Coastal Pathway Linear Open Space Master Plan Community Consultation Summary Report 47

PURPOSE

The purpose of this report is to gain support from council to endorse the Coastal Pathway Linear Open Space Master Plan (Appendix A and B).

EXECUTIVE SUMMARY

The Coastal Pathway is a key recreational and transport infrastructure asset aligned with Sunshine Coast Council's vision to become '*Australia's most sustainable region*'.

The *Draft Coastal Pathway Linear Open Space Master Plan* adopted the vision and strategic outcomes developed in previous documents, building upon these a set of master planning principles directed at detailed design and implementation considerations. The master plan report is accompanied by 119 maps detailing a Coastal Pathway alignment capable of meeting the strategic outcomes, notably an off-road coastal experience.

The Coastal Pathway is envisaged as a continuous shared, off-road, pathway for pedestrians and cyclists, spanning the breadth of the coastline between Bells Creek in the south to the northern most point of Coolum Beach in the north, and enables access to, and enjoyment of, the Sunshine Coast's iconic scenery.

The proposed funding source for the Coastal Pathway is Council's 10 year Capital Works program, the current allocation is a minimum \$1million per year commencing 2017/2018. Funding will be directed towards the high priority sections and missing links.

At the August 2016 Ordinary Meeting council supported the draft master plan to proceed to community consultation (Council Resolution OM16/145). More than 2000 submissions were received during the community consultation process, with a majority of the community supporting the Coastal Pathway Master Plan.

Minor amendments to the master plan have been completed as a result of the community's feedback. The revised Coastal Pathway Master Plan is now presented to council Ordinary Meeting for endorsement.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Coastal Pathway Linear Open Space Master Plan” and
- (b) endorse the Coastal Pathway Linear Open Space Master Plan (Appendix A and B) subject to funding being available in future annual budgets, as outlined in Council’s adopted 10 year Capital Works Program, or through external State or Federal grant programs.

FINANCE AND RESOURCING

The proposed funding source for the Coastal Pathway is Council’s 10 year Capital Works program, the current allocation is a minimum \$1million per year commencing 2017/2018. In addition to Council’s Capital Works program, all efforts will be made to pursue all relevant State and Federal granting opportunities, and where appropriate Development Approvals will be conditioned to build or contribute funding towards the construction of portions of the Coastal Pathway.

It is recommended that Council’s 10 year Capital Works program funding be directed towards the high priority sections and missing links. The priority criteria applied in the Master Plan for determining priorities includes: safety, high use areas, connectivity, and coordination with adjoining projects. Recommended priority project areas include:

- Bokarina to Warana
- Caloundra (Tay and Maloja Avenues)
- Coolum
- Dicky Beach
- Kings Beach (Esplanade Headland)
- Maroochydore (Duporth Avenue)
- Point Arkwright to Yaroomba

The Capital Works program for the 2017/2018 financial year includes funding for the finalisation of the Coastal Pathway Linear Open Space Master Plan (Appendices A and B) along with the design and construction of several high priority links including, the construction of pathway sections at Bokarina, and Kings Beach and the finalisation of the detailed design for the Maloja and Tay Avenue Caloundra, and the Mooloolaba Spit Boardwalk links.

Other delivery mechanisms for the Coastal Pathway include conditioning (as part of the Development Approval processes) missing sections of the Coastal Pathway within and adjoining vacant development sites. In the past year, the Coastal Pathway has been included in the development approval conditions for development sites at Bokarina, Marcoola and Pelican Waters.

Several sections of the Coastal Pathway are being designed and implemented as a result of various precinct master plans and future streetscape projects including Mooloolaba Foreshore and Brisbane Road Cycleway Stage 5.

The Coastal Pathway has previously received funding under various State and Federal Government initiatives including the *State Government Cycle Network Local Government Grants Program* and various opportunities administered via the Queensland Department of National Parks, Sport and Racing. Future grant funding will be sought as part of the delivery program.

Maintenance of the Coastal Pathway will continue to be included in Civil Asset Management’s existing path maintenance program.

CORPORATE PLAN

Corporate Plan Goal: *A healthy environment*

Outcome: We serve our community by providing this great service

Operational Activity: S16 - Recreation parks, trails and facilities - providing design, maintenance and management of council's public open space for active and passive recreation

CONSULTATION

Portfolio Councillor Consultation

Between December 2015 and August 2016 one-to-one meetings were held with all Councillors to review and comment on the draft Coastal Pathway Master Plan.

At the Ordinary Meeting in August 2016 support was given for the draft master plan to go to community consultation. Proposed amendments to the draft Coastal Pathway Master Plan resulting from the community consultation process have been discussed with relevant Councillors, including on site assessment of various route options.

Internal Consultation

Internal consultation with Council branches has included:

- Major Urban Developments
- Strategic Planning
- Transport and Infrastructure Policy
- Open Space and Social Policy
- Parks and Gardens
- Environmental Operations
- Coastal Construction, Water and Planning

External Consultation

External consultation has included:

- Queensland Department of National Parks, Sport and Racing concerning the proposed alignment of the Coastal Pathway through the Maroochy River Conservation Park.

Community Engagement

Between 21st November to 23rd December 2016, council undertook a community consultation process for the Draft Coastal Pathway Master Plan, the submission period was subsequently extended to 28th February 2017, at the request of members of the community.

Over 2000 submissions were received from the community. The Coastal Pathway Linear Open Space Master Plan Community Consultation Summary Report (Attachment 1) has been prepared outlining the consultation process and provides a summary of the key findings.

Overall the majority of the community that responded to the community consultation process support the Draft Coastal Pathway Master Plan. The Coastal Pathway is regularly used for a variety of reasons and activities including, as a form of relaxation and meditation, remedial recreation, viewing the ocean, enjoying nature, fitness training, cycling, early morning and sunset walking, dog walking, bird watching, running and jogging, commuting to work and socialising.

Some members of the community, particularly the three groups that were targeted for direct consultation (Bokarina to Buddina – resident to the east of Oceanic Drive, Yaroomba – residents to the east of Yinneburra St and Yerranya Row, and Dicky Beach – residents adjoining the Sir Leslie Wilson Park and Crees Parade), raised concerns in relation to

potential environmental impacts for sections of the Coastal Pathway that are proposed through the coastal reserve areas. Concerns included potential impacts on coastal morphology, vegetation, and native wildlife. Other concerns raised include potential impact on privacy to adjoining properties, noise, and security. All concerns have been considered in finalisation of the master plan.

PROPOSAL

The Coastal Pathway is a key recreational and transport infrastructure asset aligned with Sunshine Coast Council's vision to become 'Australia's most sustainable region'. The Coastal Pathway is envisaged as a continuous shared, off-road, pathway for pedestrians and cyclists, spanning the breadth of the coastline and enabling access to, and enjoyment of, the Sunshine Coast's iconic scenery.

The vision for the Coastal Pathway is:

"A world-class scenic coastal pathway, connecting communities, and enriching and diversifying the recreational experience of the Sunshine Coast."

"An iconic coastal pathway integrating beaches, coastal lookouts, parks, local destinations, services and business for the length of the Sunshine Coast".

The Coastal Pathway has significant support from a wide range of the community. Previous community consultation has returned approximately 80% support for the project. The 2016/17 regional scale consultation process returned an 83% support for the project.

As a result of feedback from the community consultation process the draft Coastal Pathway Master Plan has been reviewed and minor amendments to proposed 'missing links' have been incorporated into the final mapping. Existing pathways identified as Coastal Pathway in the draft report remain unchanged.

The following is a summary of amendments to the draft Coastal Pathway mapping as a result of community feedback:

Coolum Beach (Map 6 to 7):

Members of the community expressed concerns regarding the location of a proposed 'missing link' through the grass easement in the Coolum Lions and Norrie Job Park. An alternative pathway location was identified to the east of David Low Way. Since the alternative location for the pathway achieves an off-road path and still improves connectivity to Stumers Creek, the final mapping has been amended accordingly. The status of the existing path through Coolum was subsequently adjusted to 'existing path of low priority', or 'completed', reflecting the community wishes to retain the current status through this area.

Yaroomba (Map 12):

Members of the community (notably residents adjoining the coastal reserve) raised concerns about potential impacts on vegetation, dunes, impacts to their privacy, and security. In some locations along this section of the coastline residential properties have been constructed to minimum setbacks and in some areas vegetation within the coastal reserve has been cleared and maintained as garden space in front of these houses.

This section of 'missing link' Coastal Pathway was reassessed and an alternative option to continue the pathway along the road verge on Yinneburra Street and Yerranya Row considered. It was found that the proposed Coastal Pathway alignment as detailed in the draft Master Plan would provide a good coastal experience with magnificent views up and down the coast. It was also found that within the Coolum and Yaroomba areas there are few sections of Coastal Pathway that are separated from a road. The proposed alternative location of the Coastal Pathway along the road verges of Yinneburra Street and Yerranya Row would not provide a vehicle free environment and did not address the conflict between vehicles crossing driveways and coastal pathway users. The roadside option also did not provide a coastal experience of the same quality as the proposed path alignment in the coastal reserve.

Based on this reassessment of the options it was considered the proposed Coastal Pathway missing link should follow an alignment through the coastal reserve as detailed in the draft Master Plan. A slight adjustment to the alignment is proposed to take into consideration the issues of privacy in this section. The amended path alignment has been moved slightly to the east and slightly lower than the most visually exposed residences, allowing for screen planting while maintaining some views. Concerns regarding the potential impacts on vegetation and dunes should be addressed through the use of a suspended path structure, such as a boardwalk, which will minimise impact and also allow for grade changes. Revegetation of the denuded dune areas should be undertaken as part of the project.

Buddina to Bokarina (Maps 77 to 83):

The community, especially the residents adjoining the coastal reserve, raised concerns about the proposed missing link within the coastal reserve. Concerns included potential impacts on vegetation, habitat, and dunes. Residents were also concerned about privacy and security.

The ecological values within the coastal reserve vary across its length. Some areas are densely vegetated with native communities, whilst other areas have been cleared and continue to be 'managed' by residents to keep their views. In some locations encroachment into the coastal reserve has occurred including built infrastructure and garden areas. There are numerous private access tracks between residences and the beach. Within the reserve are wetlands with the potential to support threatened species. Sections of the reserve are also heavily infested with weeds including 'transformer species', that is, species capable of preventing natural regeneration leading to eventual decline of the native vegetation communities.

Further investigation of the ecological values within the coastal reserve was undertaken to identify ecological constraints and inform the location of the proposed Coastal Pathway. Amendments to the draft mapping have been undertaken based on the findings of the independent ecological assessment. The final pathway alignment has been located to avoid impacts on areas of high ecological value including the wetlands and native vegetation communities. The path alignment follows areas of high weed infestation, the intent being to remove these weeds and facilitate native vegetation as part of the project. The pathway alignment also targets cleared areas with low ecological values, these areas will be revegetated as part of the project.

In most cases the proposed pathway is setback from the property boundaries to avoid impacts on privacy.

Further detailed site investigation will be undertaken to determine the final alignment, however it is considered feasible to address the community's concerns through careful planning and implementation of the project.

To continue with a Coastal Pathway along Oceanic Drive does not reduce the potential risk of conflict with vehicles or provide a scenic coastal experience and is not recommended.

Dicky Beach (Maps 96 to 97):

Residents adjoining the coastal reserve raised concerns about impacts on dunes and vegetation, and users of Sir Leslie Wilson Park. The draft pathway alignment has been adjusted slightly to maintain open space within the park. The path through Crees Parade has also been slightly adjusted to run beside this minor access road to avoid impacts on existing trees. Consideration will be given to using a suspended walkway within the dune areas to reduce potential impact. Potential impacts to existing vegetation will be addressed at the detailed design stage.

As a result of the community consultation process it was found the majority of the community support implementation of the draft Coastal Pathway Master Plan.

The final Coastal Pathway Master Plan is now presented to council Ordinary Meeting for endorsement.

Legal

There are no legal implications relevant to this report.

All relevant legislative requirements for each section of the Coastal Pathway will be addressed during the detailed design and construction stages.

Policy

The strategic policy framework supporting the Coastal Pathway Master Plan is outlined as follows:

Environment and Liveability Strategy 2017**Part A**

Outcome 2041: Our coastal areas are healthy, resilient to climate change impacts and support sustainable use.

Our coastal environments contribute significantly to our identity and lifestyles. Locals and tourists continue to admire the coastal landscapes and access the coastal environment to enjoy activities such as swimming, surfing, fishing, snorkelling, and recreating along the Coastal Pathway. The coast is critical for the tourism industry, which is a significant part of the regional economy.

Part B**Transformation Actions**

Actions	Tasks	Five-year cost estimates Low (\$0–\$100k) Medium (\$100k–\$500k) High (\$501k+)
13. Healthy coast Providing a strategic and coordinated approach to the protection, sustainable use and enjoyment of our dunes, beaches, rocky shores and near-shore marine waters.	13.6 Finalise the Draft Coastal Pathway Linear Open Space Master Plan and continue to deliver and improve sections of the Coastal Path	High

Part C**Open Space Network**

A significant recreation trail on the Sunshine Coast is the Coastal Pathway. The development of this trail is well advanced, with planning and construction of the uncompleted sections to continue into the future.

Key recommendations

Recreation trails:

Continue to develop and upgrade the Coastal Pathway.

Sunshine Coast Active Transport Plan 2011-2031

‘Both the Active Transport Implementation Plan and the Coastal Pathway Strategic Plan will coordinate planning of the Coastal Pathway from different perspectives for routes where the transport and recreational functions coincide. A single council unit will be given responsibility for the design, construction and maintenance of the Coastal Pathway guided by standards specified in both Active Transport Implementation Plan and the Coastal Pathway Strategic Plan.’

Actions	Timing	Cost	Responsible
Network			
Plan and implement improvements to the Coastal Pathway catering for the transport and recreation needs and level of service required at each location.	Ongoing	High	SCC/SPol/ITP/ TES

Sunshine Coast Planning Scheme 2014 Part 7 of the Planning Scheme (Local Plans) identifies the Coastal Pathway in the following Local Plan Areas:

- Caloundra Local Plan Area
- Coolum Local Plan Area
- Golden Beach / Pelican Waters Local Plan Area
- Kawana Waters Local Plan Area
- Maroochy North Shore Local Plan Area

As part of the strategic pathway network, sections of the Coastal Pathway are eligible for LGIP funding. Similarly, where appropriate Development Approvals will be conditioned in order to facilitate the construction of sections of the Coastal Pathway, by Developers, on behalf of Council.

Risk

One of the key risks to users of the Coastal Pathway is conflict with vehicles. The Coastal Pathway Master Plan aims to significantly reduce this risk by achieving an off-road shared pathway that is safe and comfortable for the community. With the exception of a few sections, identified in the mapping as gaps to the Coastal Pathway, the existing pathway is predominantly off-road. Where feasible new path alignments, which achieve the desirable separation of vehicle traffic and Coastal Pathway users have been identified, these sections have been mapped as missing links.

The categorisation of both existing pathways and missing links as “high priority” is based on the identification of potential safety risks to users. The Capital Works Program reflects the targeted completion of high priority sections.

The Coastal Pathway master planning principles includes design standards that address potential risks, and the safety and comfort of users, including:

- A minimum path width to facilitate shared use
- Sightlines to reduce the risk of user conflict
- CPTED considerations including passive and active surveillance
- Intersection sightlines and design to avoid conflict
- Road and driveway crossing treatments
- Boat ramp crossing treatments

The Coastal Pathway Master Plan also covers a section on safety considerations which outlines the current community education programs regarding safe use of shared pathways.

Previous Council Resolution

With exception to the above mentioned Council Resolution OM16/145 there are no previous Sunshine Coast Council resolutions relevant to this report.

Ordinary Meeting 18 August 2016 (OM16/145)

That Council:

- (a) receive and note the report titled "**Coastal Pathway Linear Open Space Master Plan**" and
- (b) endorse the Draft Coastal Pathway Master Plan (Appendix A) to proceed to community consultation.

However, since the project has been progressively planned and implemented for over a decade, previous studies have been completed and endorsed under Caloundra and Maroochydore councils as follows:

- Caloundra Coastal Pathway Master Plan (document endorsed May 2003)
- Maroochy Bikeways Plan Review (2003)
- Maroochy Recreation Trails Strategy (2003)
- Caloundra Coastal Walk Environmental Review (Oct 2005)
- Caloundra Recreation Trails Master Plan (April 2006)
- Caloundra Coastal Pathway Strategic Background Document (Nov 2011)
- Coastal Pathway Signage Style Guide (document endorsed Jan 2012)

Related Documentation

Draft Coastal Pathway Linear Open Space Master Plan, used for the purpose of Community Consultation during the development of the Master Plan.

Critical Dates

There are no critical dates relevant to this report.

Implementation

There is no implementation relevant to this report.

8.3.2 SUNSHINE COAST COUNCIL LOCAL GOVERNMENT AREA BIOSECURITY PLAN 2017

File No:	F2016/147503
Author:	Coordinator Biodiversity and Waterways Liveability & Natural Assets Group
Appendices:	App A - Sunshine Coast Council Local Government Area Biosecurity Plan.....69
	App B - Sunshine Coast Council Biosecurity Implementation Plan111

PURPOSE

The purpose of this report is to present the final *Sunshine Coast Council Local Government Area Biosecurity Plan 2017* and supporting implementation plan for council consideration and adoption.

EXECUTIVE SUMMARY

The *Sunshine Coast Council Local Government Area Biosecurity Plan 2017* (the Plan) has been prepared to guide all stakeholders in the management of invasive plants and animals across the Sunshine Coast Local Government Area.

Prepared in accordance with the legislative requirements of the Queensland Government *Biosecurity Act 2014*, the Plan will replace the existing *Sunshine Coast Local Government Area Pest Management Plan 2012-2016*.

The Plan establishes a framework to support a cooperative and coordinated management approach that focusses available resources on priority invasive plants and animals in order to deliver the most effective outcomes.

The strategic approach outlined in the Plan is supported by a council Five-Year Implementation Plan that will assist to guide investment in areas of council responsibility. Many of the tasks identified for 2018/19 seek to incorporate the strategic directions into council's existing invasive plant and animal management activities and implemented within existing resources.

At the August 2017 Council Ordinary Meeting, endorsement of the draft Plan was provided for the purposes of public consultation. Formal consultation with the community and key stakeholders was undertaken for a five week period from 21 August to Friday 22 September.

A full analysis of feedback received during consultation on the draft Plan has been undertaken. The majority of respondents supported the strategic risk-based approach of the Plan and the catchment-scale management responses.

The general feedback received during consultation included that:

- the identified invasive plants and animals considered was very comprehensive
- the risk based approach assists to identify those species that have a high potential to impact our region and spread if left unmanaged
- the catchment scale management approach in general complemented other catchment planning activities and would assist to engage local communities.

Any submissions relating to Cottonwood trees were referred to the independent investigation (OM17/144) being progressed.

Consultation outcomes have been incorporated and a final draft has been prepared for council consideration.

This report seeks council's adoption of the *Sunshine Coast Council Local Government Area Biosecurity Plan 2017* and the *Sunshine Coast Council Biosecurity Implementation Plan 2017*.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "Sunshine Coast Council Local Government Area Biosecurity Plan 2017"
- (b) adopt the Sunshine Coast Council Local Government Area Biosecurity Plan 2017 (Appendix A) and the Sunshine Coast Council Biosecurity Implementation Plan 2017 (Appendix B)
- (c) delegate authority to the Chief Executive Officer to update the 'locally significant' invasive plant and animals species lists and catchment management responses as knowledge on invasive species improves and
- (d) note that the Sunshine Coast Council Local Government Area Biosecurity Plan 2017 supersedes the Sunshine Coast Local Government Area Pest Management Plan 2012-2016.

FINANCE AND RESOURCING

Delivery of the tasks identified for implementation in 2018/19 are to be implemented within existing resources and anticipated budgets based on 2017/18 funding. These tasks seek to incorporate the strategic directions of the Plan into council's existing invasive plant and animal management activities.

In 2017/18, approximately \$1.72 million was invested by council into specific invasive plant and animal management programs, which is funded from both general revenue and the Environment Levy. The current annual Environment Levy contribution of \$730,000 funds five invasive plant and animal officers and supports community pest management and engagement activities that align with the existing pest management plan.

Any additional resources required in future years would be subject to considerations and decisions during the annual budget development process.

CORPORATE PLAN

Corporate Plan Goal:	<i>A healthy environment</i>
Outcome:	3.2 - Protection and enhancement of our natural assets and distinctive landscapes
Operational Activity:	3.2.3 - Prepare a Sunshine Coast Bio-Security plan

CONSULTATION

Portfolio Councillor Consultation

Briefings on the Plan have been provided to the Community and Environment Portfolio Councillor at key milestones.

Internal Consultation

Council staff

The Pest Management Working Group have played an active role in the risk based assessment of the invasive plants and animals, setting of strategic directions and preparation of the council implementation plan. The following groups and branches (teams) have been consulted during the development of the Plan:

- Customer Engagement and Planning Services
 - Customer Response (Healthy Places)
 - Development Services (Engineering and Environment Assessment)
 - Strategic Planning (Planning Scheme and Projects)
- Built Infrastructure
 - Parks and Gardens (Parks Operations and Arboriculture)
- Liveability and Natural Assets
 - Environmental Operations (Community Catchment Partnerships, Natural Areas Management and Coastal, Constructed Waterbodies and Planning)

External Consultation

Representatives of the established external biosecurity reference group were consulted during the development and finalisation of the Plan. This group consists of representatives from:

- Seqwater
- Healthy Land and Water (formerly, SEQ Catchments and Healthy Waterways)
- Department of National Parks, Sport and Racing
- Department of Transport and Main Roads
- Department of Agriculture and Fisheries
- HQPlantations
- A not-for-profit community environmental group representative from each of the major river catchments

Community Engagement

The draft Plan was endorsed by council in August for the purposes of public consultation. Formal consultation with the community and key stakeholders was undertaken for a five week period from 21 August to Friday 22 September and included:

Media

- A media launch for the commencement of the consultation period with attendance from WIN, Nine and ABC news
- Two media releases generating 5 stories
- One Facebook post and two Facebook advertisement stories reaching upwards of 25,500 people
- The media coverage reached a cumulative audience of 83,929 people

Focus Groups

- 6 half-day catchment focus workshops and a half-day contractor workshop with 36 attendees representing 25 organisations

One-on-one meetings

- 4 one-on-one meetings with neighbouring local governments and the Sunshine Coast Environment Council

Presentations

- 2 presentations including the Mary River Catchment Coordinating Committee Board and Southeast Queensland Pest Advisory Forum

Consultation platform

- 766 site visits to the consultation platform which received 35 written submissions and 63 completed surveys

PROPOSAL

This report seeks council's adoption of the *Sunshine Coast Council Local Government Area Biosecurity Plan 2017 (Appendix A)* and *Sunshine Coast Council Biosecurity Plan 2017 (Appendix B)*.

Invasive plants and animals can impact the region's natural environment, agriculture and production, and community and residential areas. The management of invasive species will contribute to maintaining a healthy environment and liveable Sunshine Coast.

Sunshine Coast Council Local Government Area Biosecurity Plan 2017

In July 2016, the *Land Protection (Pest and Stock Route Management) Act 2002* was replaced by the new *Biosecurity Act 2014* (the Act). Under the Act local governments are required to produce biosecurity plans.

The Plan establishes a framework to support a cooperative and coordinated management approach that focusses available resources at priority invasive plants and animals in order to deliver the most effective outcomes. The Plan has been developed in collaboration with various sectors including government organisations, not-for-profit community groups and industry representatives.

Identifying Invasive Plants and Animals

The Plan identifies 287 invasive plants and animals in the Sunshine Coast local government area based on invasive species identified in the *Biosecurity Act 2014*, the *Sunshine Coast Local Government Area Pest Management Plan 2012-2016* and others identified during internal and external consultation.

Prioritising Invasive Plants and Animals

A risk based approach was applied that considered the potential impact of all identified invasive plants and animals on terrestrial biodiversity/conservation environments, riparian and aquatic environments, community and residential areas and agriculture and production areas and potential spread of these species if left unmanaged.

The results from this risk assessment identified 79 invasive plants and 9 invasive animals as priority species for our local government area.

Catchment Management Responses

The Plan identifies and assigns five management responses (eradicate; working towards eradication; contain and protect sites; targeted landscape management and localised management) to priority invasive species in each catchment based on the effectiveness of control measures and the known catchment distribution.

Strategic Actions

The Plan identifies strategic actions grouped under six management pathways to guide the development of tailored biosecurity implementation plans for the key government, industry, utility, natural resource management groups and community biosecurity stakeholders.

Consultation Outcomes

In general there was support for the risk based approach used to identify priority invasive plants and animals and management responses defined at a catchment scale. Community and key stakeholder feedback has resulted in:

- identification of additional 'locally significant' invasive plant species
- updated risk assessments for a number of invasive plants and animals
- identification of additional priority invasive plants and animals
- updated catchment distribution of priority species

- revised catchment management responses for some priority species based on increased knowledge of control and local management feasibility
- further guidance being incorporated on the management of all other 'restricted' and 'locally significant' invasive plants and animals which have not been assigned a catchment management response
- updated strategic actions to reduce duplication and simple application.

Sunshine Coast Council Biosecurity Implementation Plan

A five year *Biosecurity Implementation Plan* (Appendix B) has been prepared to guide council's resource allocation to strategic actions and associated tasks in areas of council's responsibilities. Implementation in 2018/19 will focus on integrating the strategic approach outlined in the Plan into the organisation's planning, operational and regulatory activities, whereby providing the opportunity to plan for, and identify further targeted projects for inclusion in an updated implementation plan for 2019/20.

Sunshine Coast Council will coordinate the ongoing collaborative approach required to implement and report on the Plan.

Legal

The Queensland Government *Biosecurity Act 2014* requires local governments to prepare a Biosecurity Plan to address the management of invasive species in their local government area. The endorsement of the Biosecurity Plan will satisfy this legislative requirement.

Policy

The *Sunshine Coast Council Corporate Plan 2017-2021* identifies a 'Healthy Environment' as one of five goals to deliver on the vision *Australia's most sustainable region - healthy, smart, creative*.

The *Sunshine Coast Environment and Liveability Strategy 2017* focuses on the preservation and enhancement of the natural environment and liveability of the region and identifies the development and implementation of a biosecurity plan as a task to manage invasive plants and animals.

Risk

Without a biosecurity plan, investments in invasive plant and animal management may not be strategic and cost effective. If left unmanaged, invasive plants and animals can result in significant environment, social and economic impacts, including:

- *Environment*
 - degrade the bushland and aquatic environments by outcompeting native species for habitat and food resources
 - reduce scenic amenity values
- *Social*
 - cause harm and health issues
 - reduce the function and values of community open space areas
- *Economic*
 - impact on our agriculture and production areas
 - increase maintenance and cause damage to infrastructure

Previous Council Resolution**Ordinary Meeting - 17 August 2017 - (OM17/143)**

That Council:

- a) *receive and note the report titled "Draft Sunshine Coast Council Local Government Area Biosecurity Plan"*
- b) *endorse the Draft Sunshine Coast Council Local Government Area Biosecurity Plan for the purposes of public consultation (Appendix A) as amended and*
- c) *delegate the authority to the Chief Executive Officer to place the Draft Sunshine Coast Council Local Government Area Biosecurity Plan on display August/September 2017.*

Ordinary Meeting - 17 August 2017 - (OM17/144)

That Council:

- a) *delegate authority to the Chief Executive Officer, in conjunction with Division 2 and Division 3 Councillors and the Portfolio Councillor for Environment, to prepare a report on the Cottonwood Tree by 31 December 2017 (Ordinary Meeting 25 January 2018)*
- b) *request the above report cover the geographical area along the coastal strip from Currimundi to Wickham Point*
- c) *ensure the report is prepared in an independent; impartial and objective manner and*
- d) *have the report consider, but not necessarily limited to, the overall characteristics, growth patterns and attributes of the Cottonwood Tree from a practical basis and have regard for specific locational considerations, its relationship with other related habitat and provide advice on how, why and where alternative landscape options could be considered and*
- e) *give regards to the inclusion of the Cottonwood Tree in the Sunshine Coast Council Local Government Area Biosecurity Plan subsequent to the completion of the report.*

Related Documentation

The following documents provide direction for the development of the draft Plan

- *Sunshine Coast Corporate Plan 2017-2021*
- *Sunshine Coast Environment and Liveability Strategy 2017*
- *Biosecurity Act 2014*
- *Department of Agriculture and Fisheries: Developing local area biosecurity plans: A guide for local governments July 2016*
- *Sunshine Coast Local Government Area Pest Management Plan 2012-2016*

Critical Dates

There are no critical dates in relation to this report. However, the finalisation of the Plan will cease the transitional arrangements approved by the Department of Agriculture and Fisheries – Biosecurity Queensland for the use of the existing Pest Management Plan.

Implementation

On adoption of the *Sunshine Coast Council Local Government Area Biosecurity Plan 2017*, it is proposed that:

- A fully graphic designed version of the Plan will be prepared
- Implementation will commence in the 2018/19 Financial Year and
- The *Sunshine Coast Council Biosecurity Implementation Plan 2017* will be reviewed and updated annually.

Refinements to the strategic risk-based and catchment management approach of the Plan will be made as our collective understanding of invasive plants and animals improves through implementation with key stakeholders. The necessary refinements will be determined by the external biosecurity implementation group and reflected in an updated biosecurity plan as required through delegated authority given to the Chief Executive Officer of the Sunshine Coast Council.

8.4 BUILT INFRASTRUCTURE**8.4.1 INFRASTRUCTURE CHARGES RESOLUTION AMENDMENTS**

File No:	Council meetings	
Author:	Manager Transport and Infrastructure Policy Built Infrastructure Group	
Appendices:	App A - Infrastructure Charges Resolution (No.7) 2017	133
Attachments:	Att 1 - Infrastructure Charges Resolution (No.6) 2014	167
	Att 2 - Infrastructure Charges Resolution (No.7) 2017 Table of Amendments.....	199
	Att 3 - Infrastructure Charges Resolution (No.7) 2017 Tracked Changes	207

PURPOSE

The purpose of this report is to seek Council's approval for an adoption of amended Infrastructure Charges Resolution.

EXECUTIVE SUMMARY

Council's Infrastructure Charges Resolution is the statutory document that gives Council the ability to levy infrastructure charges that contribute significantly towards the provision of trunk infrastructure required to support growth. The current version of the Resolution is the Infrastructure Charges Resolution (No.6) 2014.

Triggered by the commencement of the *Planning Act 2016* on the 3 July 2016, it is proposed to amend the current Resolution so that it is consistent with the new planning legislation.

In addition to these legislative amendments, it is proposed to also introduce a number of policy changes. The policy issues addressed include:

- Proposed updating the adopted charges rates in the Resolution to reflect the prescribed amounts in the *Planning Act 2016*. This will put all the adopted charges rates (with the exception of dot point two below) at the maximum allowable under the new Act. Benchmarking of other south east Queensland councils shows that the great majority are charging at the maximum charge allowable.
- Proposed charges for small scale tent or caravan sites proposed as part of a Tourist park or Nature-based tourism development.
- Review of the infrastructure charges applying to Air Services.

The amendments also include general administrative changes to improve the useability of the document.

Details addressing these issues are provided in the body of this report.

It is proposed that Council adopts the amended Infrastructure Charges Resolution (No.7) 2017 (Appendix A).

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Infrastructure Charges Resolution Amendments” and
- (b) adopt the “Sunshine Coast Regional Council Infrastructure Charges Resolution (No.7) 2017” (Appendix A).

FINANCE AND RESOURCING

The proposed amendments to the Resolution will not result in a material change to Council's infrastructure charges revenue stream. Costs incurred in developing the changed document and associated media costs in communicating the changes will be managed within current budget allocations.

CORPORATE PLAN

Corporate Plan Goal: *Service excellence*

Outcome: 4.3 - Service quality assessed by performance and value to customers

Operational Activity: 4.3.5 - Manage the infrastructure network planning and charges to optimise funding for future growth assets.

Corporate Plan Goal: *A smart economy*

Outcome: We serve our community by providing this great service

Operational Activity: S2 - Economic development - providing industry and business programs and initiatives to support the growth of the regional economy

CONSULTATION

Portfolio Councillor Consultation

The Planning and Development Portfolio Councillor, Cr Dickson has been consulted regarding the proposed changes to the Resolution.

Internal Consultation

A workshop was held with councillors on Monday, 6 November 2017 to provide information and receive general direction from councillors on matters raised.

External Consultation

Unitywater has been consulted and has agreed to the new “breakup” agreement which identifies proportioning of the charge between Council's networks and Unitywater's networks.

Community Engagement

There has been no community engagement involved in the preparation of this report.

PROPOSAL

Background

The ability for local government to levy infrastructure charges under the infrastructure planning and charging framework commenced in June 2011 through the *Sustainable Planning Act 2009*. The framework introduced maximum charges that could be levied on development. The levying of charges by this Council is currently administered through the Infrastructure Charges Resolution (No.6) 2014 (Attachment 1).

The *Planning Act 2016*, which commenced on 3 July 2017, continues the same principles of the infrastructure planning and charging framework with some minor changes. Notably, the prescribed amounts (previously called maximum adopted charges) that can be levied by Council are now contained in the Planning Regulation and, importantly for local government, the legislation allows for the prescribed amounts to be indexed annually. Previously the maximum charge rates, under the State Planning Regulatory Provision, were set in June 2011 and have only been increased once, in June 2016 (by approximately 1.1% only across all charges).

The *Planning Act 2016* took the rates established in June 2016 as the new starting prescribed amounts with further adjustment on 11 August 2017. Notably, these new prescribed amounts can now be indexed annually to become the maximum charge amounts that can be levied. The ability to annually index the maximum charges has been the subject of requests to the State since the introduction of adopted charges in 2011 and has now been provided for in the legislation, appropriately so.

Changes (General)

It is proposed to amend the current Resolution to make it consistent with the new legislation and also include policy and administrative amendments.

The full list of amendments to the Infrastructure Charges Resolution (No.6) 2014 (Attachment 1) is contained in Attachment 2 - Infrastructure Charges Resolution (No 7) 2017 Table of Amendments. Each amendment is annotated with an (A) or (P) reference to identify an administrative or policy change. All amendments are then reflected in Attachment 3 - Sunshine Coast Council Infrastructure Charges Resolution (No.7) 2017 – tracked changes.

The following are the proposed policy changes to the amended Resolution:

Adopted charge rates

The current Infrastructure Charges Resolution has rates which are, for the main part, set at the original (2011) maximum charge rates. Where less than the maximum, these are then indexed under the current Resolution to effectively match the current maximum amount. The exceptions where the maximum charge does not currently apply to Council's adopted charges are contained in the following Table, which also includes the proposed charge. (Note that the maximum charge is now referred to as the 'prescribed amount' in the Planning Regulation 2017.)

Use	Current Adopted Charge (Resolution 6)	Proposed Charge (new prescribed amount)
1 bedroom dwelling unit or suite (long-term accommodation)	\$14,000	\$20,239.95
1 bedroom relocatable dwelling site (long-term accommodation)	\$14,000	\$20,239.95
Bedroom (not part of a suite) (short-term accommodation)	\$7,000	\$10,119.95
Cabin (1 or 2 bedrooms) (short-term accommodation)	\$7,000	\$10,119.95
Cabin (3 or more bedrooms) (short-term accommodation)	\$10,000	\$14,167.95
Indoor sport and recreation facility (per m2 GFA)	\$150 (non-court areas)	\$202.40

The reduced charge amounts were originally adopted due to these being consistent with the typical contributions under the previous charging regime, together with an analysis of projected income from future development delivering a revenue neutral position for Council. It is considered that these reductions no longer have relevance.

Note that there is no clear correlation between the charge amounts set by the State and the costs associated with funding future trunk infrastructure projects. It is proposed to charge at the maximum charge amounts set by the State to give Council the best financial opportunity to fund future trunk infrastructure. The exception to applying maximum charge rates is tent and caravan site charge rates as discussed below.

Benchmarking of other south east Queensland councils indicates that, generally, all are charging at the maximum charge rates allowed. Logan and Ipswich Councils have opted to provide a range of charges up to the maximum charge, reflecting availability of water supply and sewerage services and in places, recognition of current infrastructure availability in infill areas.

Charge for tent and caravan parks sites (general)

The current adopted charge rates for tent and caravan park sites under tourist park and nature-based tourism use are currently consistent with the rates set by the State Planning Regulatory Provision, and continued in the new Planning Regulation, being \$10,120 for 1 or 2 sites and \$14,168 for 3 sites. An unfortunate and clumsy consequence of this charging method is that Council's proportion for a single site is \$5,465, for 2 sites is \$2,732 per site and 3 sites \$2,550 each. To maintain a charge rate of \$2,550 for Council's proportion of the charge, regardless of the number of sites applied for, it is proposed to set the rate for a single site at \$7,195 and 2 sites at \$9,740. This will create a Council charge of approximately \$2,550 for each site regardless of the number of sites applied for. These different charge rates align with the State's mandated format of charging.

Charge for tent and caravan parks sites for low scale development

Proponents of low scale camping and caravan site developments have, in recent times, raised concerns regarding the level of infrastructure charges applying to these facilities. In line with the amendments proposed above, the rate will be approximately \$2,550 per site for Council charges. Most of the small scale proposals being targeted would not be subject to a Unitywater charge as they would be located outside the water supply and sewerage serviced areas. To encourage these small scale developments that generally provide a second (and often relieving) income for a primary production use, have only a minor impact in trunk

infrastructure demands and provide additional benefits through increased tourism, it is proposed to not levy a charge for the first 5 sites of a development proposal. While this reduction in charges is targeted at small scale proposals, it is proposed to have this apply to any proposal for a tent or caravan site use for the sake of equity across the Council region. Therefore charges would be payable for any tent or caravan site development exceeding 5 sites but only be applied to the number of sites exceeding 5.

Charge for Air Services

The current Resolution has provisions so that the charge for the development of air services at Sunshine Coast Airport and Caloundra Aerodrome are nil for Council's proportion of the charge. Also, the definition of Air Services in the Resolution was expanded from what is currently in the planning scheme to include other uses such as shops, fast food stores, warehouses or vehicle repair centres.

Given that the Sunshine Coast Airport is transitioning to a privately owned commercial entity, it is proposed to reinstate the ability to levy infrastructure charges on the future development of the Airport. Charges for Caloundra Aerodrome will remain as currently applies, being nil for Council's proportion of the charge.

The main administrative changes to the Resolution are as follows:

Charge for reconfiguring a lot (residential/commercial/industrial)

Currently the charge rate for reconfiguring a lot for whatever use is set at the rate for a 3 or more bedroom dwelling. This applies to all lots and doesn't differentiate between residential, commercial or industrial lots. The current Resolution fails to specifically nominate the percentage split between Unitywater and Council, although the current practice is to apply the residential, commercial or industrial splits in a common sense manner. To formalise this issue it is proposed to introduce four different types of lots being Residential, Commercial, Industrial and Other. The charge rates for each type will be the same as is current, however the proportional split between Unitywater and Council for the different types of lots will now be as stated in the revised Table 10.1 in the Resolution for clarity.

Table 10.1 - Allocation of the adopted charge to Council and the distributor-retailer (Unitywater)

The current Table 10.1 splits the apportionment of a charge between Council and Unitywater under three broad categories of Residential & Other, Commercial and Industrial. It is proposed to expand the categories to reflect the charge categories contained in the new Planning Regulation. The effect of this charge is that development, for example, that fell in the Entertainment charge category will come under a commercial split rather than the residential split that occurs now. A commercial split is seen to be more consistent with the types of uses that occur under this category, such as hotel or function facility. Also the Essential services category, currently in the residential split, will also move to a commercial split.

The proportion split of the charges is known as the breakup agreement between Council and Unitywater. Unitywater has formally agreed to the changed breakup agreement as outlined above, and as required by the Act.

Calculation of the levied charge

The current Infrastructure Charges Resolution (No.6) 2014 (Attachment 1) provides for a form of indexation applicable only where the adopted charge is less than the maximum. Under the *Planning Act 2016* the starting charge amounts are the prescribed amounts in the Planning Regulation. The Act then has provisions for the prescribed amounts to be indexed annually by the 3-yearly moving average quarterly percentage increase in the PPI (Producer Price Index), these indexed amounts become the maximum charge amounts.

Currently, the adopted charges are indexed by CPI if they are less than the maximum charge allowable. To be consistent with the *Planning Act 2016*, it is proposed to include provisions that the recommended charges contained in the Resolution will be indexed as above.

Additional administrative changes

The additional administrative amendments included in Attachment 2 - Infrastructure Charges Resolution (No 6) 2014 List of Amendments are proposed to reflect the *Planning Act 2016* and will improve the use and application of the Resolution for the calculation of charges.

Legal

While there are no legal implications arising from the matters raised in this report, it is worth noting that the adoption of the Infrastructure Charges Resolution (No 7) 2017 (Appendix A) provides the legal status of the document in accordance with the *Planning Act 2016*, thereby enabling the levying of infrastructure charges on development to the charge levels defined in that document.

Policy

The policy implications are addressed by way of changes to the Infrastructure Charges Resolution, as directed by Council.

Risk

Council's exposure to risk is being addressed through adopting a revised Infrastructure Charges Resolution, bringing Council's Infrastructure Charges Resolution in line with the new legislation.

Previous Council Resolution

At Council's Ordinary Meeting of 13 November 2014, Council adopted the Sunshine Coast Regional Council Infrastructure Charges Resolution (No. 6) 2014 (Appendix B).

Ordinary Meeting 13 November 2014 (OM14/154)

That Council:

- (a) *receive and note the report titled "Infrastructure Planning and Charges Reform"*
- (b) *adopt the "Sunshine Coast Regional Council Infrastructure Charges Resolution (No. 6) 2014" (Appendix A), to replace the previous Sunshine Coast Regional Council Adopted Infrastructure Charges Resolution (No. 5) 2011 and*
- (c) *note that a further report dealing with Priority Development Infrastructure and Fair Value Charges will be provided to the December, 2014 Ordinary Meeting.*

Related Documentation

- *Planning Act 2016*
- *Planning Regulation 2017*

Critical Dates

There are no critical dates relevant to this report.

Implementation

The Act provides that the charges under Sunshine Coast Regional Council Infrastructure Charges Resolution (No.7) 2017 (Appendix A), if adopted by Council, will have effect the day stated in the Resolution, provided the Resolution is uploaded to Council's website before that date. If adopted, it is proposed to have the Resolution take effect from 11 December 2017.

8.5 ECONOMIC AND COMMUNITY DEVELOPMENT**8.5.1 CONTINUATION OF SUPPORT FOR THE SUNSHINE COAST AERO CLUB LTD**

File No: Council meetings
Author: Group Executive
Economic & Community Development Group

PURPOSE

The purpose of this report is to formalise current funding arrangements with the Sunshine Coast Aero Club Limited (the Aero Club) following the lease of Sunshine Coast Airport.

EXECUTIVE SUMMARY

The Sunshine Coast Aero Club Limited operates from premises at the Sunshine Coast Airport (SCA or the Airport) under a lease arrangement with Council.

The Sunshine Coast Airport will transition to a new operator, Palisade Investment Partners (Palisade), by the end of 2017. All leases at the Airport will also transfer to Palisade.

The lease is on a commercial basis and it is likely that the new Airport operator will collect the commercial rent payable under the lease.

Sunshine Coast Council has supported the Aero Club as far back to 1995 with substantial subsidies on lease fees.

An immediate withdrawal of Council support will impact on the financial position of the Aero Club.

It is proposed that a funding agreement be negotiated for the full amount of the commercial lease fees. This will enable time for planning and transition for the Aero Club to the commercial terms of the lease.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled “Continuation of support for the Sunshine Coast Aero Club Ltd” and**
- (b) authorise the Chief Executive Officer to negotiate and implement a funding agreement for the Sunshine Coast Aero Club Limited to subsidise 100% of the commercial rent payable for lease CE and GE on SP217358.**

FINANCE AND RESOURCING

The 2017/2018 Budget Adoption meeting on 15 June 2017 approved \$46,875 for the Sunshine Coast Aero Club 2017/18 lease as a Community Service Obligation.

CORPORATE PLAN

Corporate Plan Goal: *A smart economy*

Outcome: We serve our community by providing this great service

Operational Activity: S1 - Airport - providing aeronautical operations, passenger related services and management services for Sunshine Coast Airport and Caloundra Aerodrome

CONSULTATION

Portfolio Councillor Consultation

Councillor J McKay, Community and Environment

Councillor S Robinson, Economic Development and Innovation

Internal Consultation

- Councillor J O'Pray, Divisional Councillor
- Acting Group Executive Business Performance
- Manager Finance
- Manager Community Planning and Development
- General Manager Sunshine Coast Airport
- Solicitor

External Consultation

- Adelaide Airport
- Cairns Airport
- Palisade Investment Partners
- Secretary, Sunshine Coast Aero Club
- Sydney Airport
- Townsville Airport

Community Engagement

There has been no community engagement as part of this report.

PROPOSAL

The Sunshine Coast Aero Club has occupied its current lease site at the Sunshine Coast Airport since 1949 and has constructed all improvements on the land.

Records show that Council has supported the Aero Club with reduced lease fees back to at least 1995 where an 80% subsidy against commercial rates was granted. Since that time there have been differing support arrangements, ranging from no apparent support in early 2000's, to 75% in 2011/12 and 100% from 2015/16 onwards.

Council approved a budget amount of \$46,875 in the 2017/18 budget process to offset the total cost of the Aero Club's commercial lease fees due to Council, in the form of a Community Service Obligation.

The Sunshine Coast Airport will transition to its new operator, Palisade, before the end of 2017. Palisade is expecting commercial lease fees from all lease sites and has not made any undertaking to support the Aero Club. There are no provisions in the signed contract with Palisade referencing the Aero Club's current support arrangements.

During the Sunshine Coast Airport sale process, Council support arrangement for the Aero Club was provided in an Information Memorandum to bidders:

"Other revenue consists of Community Service Obligation ("CSO") related revenue and recoupment of utilities. Council provides rebates to certain tenants that provide

vital services for the community. Rent is paid to SCA at the market rate for use of the facilities by CSO's who are then reimbursed by Council."

"Following the transaction, the rent associated with these tenancies will continue to be paid to SCA, with Council rebating tenants on a case by case basis. While Council may at its discretion remove or amend the rebates provided to these organisations, each tenant is locked into its rental obligations over the term of the lease."

Benchmarking was undertaken with the following privately owned airports to compare what support other private airports provide to Not for Profit organisations.

Adelaide Airport

Aero Clubs do not operate from the main Adelaide Airport. Parafield Airport is used for small aircraft, training and recreational aviation (also owned by Adelaide Airport) and it attracts lesser fees than the major airport. The Royal Flying Doctor Services (RFDS) and South Australian emergency air ambulance service operate from Adelaide Airport at commercial rates, with opportunity for nominal Corporate Airport sponsorships from time to time as a separate matter to the lease.

Cairns Airport

Upon sale of the Cairns Airport, the Aero Club was relocated to the Council run aerodrome at the Aero Club's expense. Emergency Management Queensland (EMQ) and the Royal Flying Doctor Service also operate from Cairns Airport and pay commercial rates.

Sydney Airport

The Royal Flying Doctor Service is the only Not for Profit resident. The NSW Government outsource their air ambulance service to the RFDS, and the NSW Government hold and pay the lease for RFDS to operate at commercial rates.

Townsville Airport.

The Aero Club has a sublease with a Medivac operator that receives a small discount due to some not for profit activities. Townsville Airport does not know how much the Medivac operator charges the Aero Club. EMQ and RFDS have received up to 30% discounts on lease fees however this is under review.

It is worth nothing that Council supports many community organisations with concessional lease fees of \$255 per year under the Community Groups Occupying Council Owned or Council Controlled Land and/or Infrastructure Policy. The Aero Club support arrangement does not appear to have been managed under this policy, as Sunshine Coast Airport was a business unit of Council and the concession was treated as a Community Service Obligation.

With the change of operating arrangements of the Airport, the above policy would no longer apply.

The purpose of this report is to formalise the continued Council support for the Aero Club noting that their current lease expires on 30 June 2020.

Legal

Council has the authority to enter into a funding agreement:

Local Government Act 2009, section 9 Powers of local governments generally:

- (1) A local government has the power to do anything that is necessary or convenient for the good rule and local government of its local government area.

A draft funding agreement has been prepared by Legal Services Branch.

Policy

There are no policy implications in relation to this report.

Risk

The proposed arrangement is to formalise the same level of support that the Sunshine Coast Aero Club has received in the past from Council.

Council has no obligation under any legislation, policy or agreement to continue to support the Aero Club.

While it may be argued that a funding agreement could be seen as a precedent for other Not for Profit organisations, the circumstances of the previous arrangements and the change in operating arrangements are rather unique.

Due to the long standing nature of this arrangement, removal without notice will have financial implications for the Sunshine Coast Aero Club.

The lease provides for a market rent review on 1 July 2018. This may result in an increase in rent that is greater than CPI. To mitigate this risk, the funding agreement could include a cap of \$50,000 per annum.

Previous Council Resolution

Council's adopted 2017/18 budget includes a Community Service Obligation that provides a 100% subsidy of the 2017/18 rental charge of \$46,875 excluding GST.

Ordinary Meeting 21 May 2015 (OM15/70)

That Council:

- (a) *receive and note the report titled "**Lease to Sunshine Coast Aero Club Limited**" and*
- (b) *in accordance with section 236 of the Local Government Regulation 2012, resolve to lease Site 16 at Sunshine Coast Airport to Sunshine Coast Aero Club Ltd for a term of five (5) years other than by tender on the basis that:*
 - (i) *Sunshine Coast Aero Club Ltd provides a not-for-profit service to the community and*
 - (ii) *the lease amount is equal to or higher than the valuation provided by an independent valuer.*

Related Documentation

Sunshine Coast Aero Club lease.

Critical Dates

The arrangements proposed in this report should be finalised as close as possible to the completion of the Share Sale Agreement with the new operation, currently anticipated to occur during November 2017.

The Sunshine Coast Aero Club lease expires on 30 June 2020.

Implementation

The Chief Executive Officer will implement the Council resolution that results from this report.

8.6 OFFICE OF THE MAYOR AND CEO

Nil

9 NOTIFIED MOTIONS**9.1 NOTICES OF RESCISSION**

Nil

9.2 NOTICES OF MOTION

Nil

9.3 FORESHADOWED NOTICES OF MOTION

Nil

10 TABLING OF PETITIONS

Petitions only eligible for submission if:

- * Legible
- * Have purpose of the petition on top of each page
- * Contain at least 10 signatures
- * Motion limited to:
 - Petition received and referred to a future meeting
 - Petition received and referred to the Chief Executive Officer for report and consideration of recommendation
 - Petition not be received

11 CONFIDENTIAL SESSION**11.1 BUSINESS PERFORMANCE****11.1.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - LAND ACQUISITIONS AND DISPOSALS**

File No: Council meetings
Authors: Coordinator Strategic Property
Business Performance Group
Commercial Property Consultant
Business Performance Group

This report is confidential in accordance with section 275 (e) of the *Local Government Regulation 2012* as it contains information relating to contracts proposed to be made by Council.

11.1.2 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - PROPERTY MATTER YANDINA

File No: Council meetings
Author: Coordinator Buildings and Facilities Assets Management
Business Performance Group

This report is confidential in accordance with section 275 (h) of the *Local Government Regulation 2012* as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

11.2 CUSTOMER ENGAGEMENT AND PLANNING**11.2.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - SUNSHINE COAST
PLANNING SCHEME 2014 - PROPOSED ROUND 5B AMENDMENT -
ROOFTOP USES**

File No: Council meetings
Author: Senior Strategic Planner
Customer Engagement & Planning Services Group

This report is confidential in accordance with section 275 (g) and (h) of the *Local Government Regulation 2012* as it contains information relating to any action to be taken by the local government under the Planning Act, including deciding applications made to it under that Act; AND other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

11.3 LIVEABILITY AND NATURAL ASSETS

11.3.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - PROPERTY ACQUISITION AT 5 ELIZABETH STREET, KENILWORTH

File No: F2015/19001

**Author: Coordinator Open Space and Social Policy
Liveability & Natural Assets Group**

This report is confidential in accordance with section 275 (h) of the *Local Government Regulation 2012* as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

11.4 BUILT INFRASTRUCTURE

Nil

11.5 ECONOMIC AND COMMUNITY DEVELOPMENT

Nil

11.6 OFFICE OF THE MAYOR AND CEO

Nil

12 NEXT MEETING

The next Ordinary Meeting will be held on 25 January 2018 in the Council Chambers, 1 Omrah Avenue, Caloundra.

13 MEETING CLOSURE