

15.12. USE OF DEVELOPER CONTRIBUTIONS - HAWKS NEST COMMUNITY CENTRE UPGRADE

REPORT INFORMATION

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Date of Meeting	28 June 2023
Authorising Director	Paul De Szell - Director Liveable Communities

SUMMARY OF REPORT

This report outlines a request for the allocation of developer contributions for the upgrade of the Hawks Nest Community Centre building.

The project is included within the Tea Gardens District Section 94 Contributions Plan.

RECOMMENDATION

1. That Council allocate a total amount of \$300,000 from the Tea Gardens District Section 94 Contributions Plan to the upgrade of the Hawks Nest Community Centre.
2. That this funding be provided from the Tea Gardens / Hawks Nest District Community Facilities section of the Plan.
3. That the shortfall in funding be borrowed from the Tea Gardens / Hawks Nest District Open Space section of the Plan and that this section of Plan be reimbursed as future developer contributions are received.

FINANCIAL / RESOURCE IMPLICATIONS

Developer contributions are collected for a specific purpose.

For the Tea Gardens and Hawks Nest Contributions Plan the following contribution amounts were presented in the 2021/22 Annual Financial Statements:

Contribution Plan TG/HN	As at 1 July 2021	As at 30 June 2022
Roads	\$116,000	\$126,000
Parking	\$59,000	\$59,000*
Open Space	\$353,000	\$371,000*
Community Facilities	\$136,000	\$140,000
Surf Life Saving	\$41,000	\$43,000

* - \$500,000 was borrowed (pre-merger) from the Open Space fund to pay for land for car parking. This is required to be repaid in full, from the car parking fund back to the open space fund.

The requested allocation of developer contributions within this report will be supported by a further \$300,000 in funding previously received from the Australian Government's Community Development Grants Programme to support delivery of the Hawks Nest Community Hall Upgrade project.

LEGAL IMPLICATIONS

Nil.

RISK IMPLICATIONS

The risks associated with not withdrawing the proposed allocation of funds as detailed in this report are:

- Reputational Risk: Not meeting the community's expectation in delivering on long-standing priority project.
- Financial Risk: A greater burden will be placed on Council's general reserves in being able to meet obligations under the Funding Deed with the Australian Government for delivery of the project.
- Strategic Risk: Inability to secure resources that will advance the strategic planning of community assets and meet future population demand.

BACKGROUND

MidCoast Council has previously received substantial grant funding from the Australian Government to undertake an upgrade to the Hawks Nest Community Centre to ensure that it is fit for purpose and meets the needs of the growing community. This community facility provides for a number of community uses and is integral to the delivery of local community services such as Meals on Wheels.

Since receiving the initial grant funding to undertake this project, project cost increases and delays attributable to the COVID-19 pandemic have resulted in a project budget shortfall. This report requests Council to commit \$300,000 from within the Tea Gardens District Section 94 Plan to enable delivery of the project.

DISCUSSION

The Tea Gardens District Section 94 Plan (adopted 28 October 2014) makes provision for developer contributions to be levied on developments that increase the demand for infrastructure arising from increasing population.

A section of that Plan includes Library and Community Facilities Contributions - *"to enable funding for the provision of library and community facilities in the Tea Gardens District as required to meet the needs of the expanding population"*.

The plan considers the renovation of the community centre in Hawks Nest (pg16) and estimates the cost at \$500,000. The current request for Council to allocate funding towards the Hawks Nest Community Centre Upgrade project is therefore considered to be within the parameters of the Plan.

As at 30 June 2022 the balance of the Community Facilities section of the Plan was \$140,000 this is likely to change as a result of contributions received prior to 30 June 2023 and with interest for 2022-2023 still to be applied.

The Tea Gardens District Section 94 Plan allows for the pooling and allocation of contributions for the purposes of the Plan i.e., internal borrowings between individual sections of the plan.

A review of the other balances within the plan has identified that the current shortfall of funds within the Community Facilities section could be met/borrowed from the Open Space section of the Tea Gardens District Section 94 Plan. As at 30 June 2022 the balance of the Open Space section of the Plan was \$371,000.

There are no current plans for the use of these funds. It is recommended that the required balance of funds be borrowed from the Open Space Plan and repaid in future years as Community Facilities Plan contributions are received.

COMMUNITY IMPACTS

The proposed allocation of funds will ensure that Council continues to meet the needs of the community through delivering on a priority project that has been identified within the Hawks Nest and Tea Gardens communities.

ALIGNMENT WITH COMMUNITY PLAN/OPERATIONAL PLAN

The proposed project within this report that the developer contribution funds will be applied to align with the following objectives of MidCoast Council's Community Strategic Plan:

Strategic Objective 1.2, Strategy 1.2.1

Provide accessible and safe local community spaces and facilities.

Strategic Objective 1.4, Strategy 1.4.3

Encourage physical health and fitness and social connectedness by providing safe and appropriate recreational facilities.

LIST OF ATTACHMENTS

The following attachment is available on the meeting page of Council's website under the 'Attachments to Agenda' heading.

Attachment 1 - Tea Gardens District S94 Contributions Plan (30 pages)