

St Kilda Triangle Project - High level outline of the first two project stages, including estimated timing and cost, September 2022

Stage	Option One Description	Option One Considerations	Option Two Description	Option Two Considerations
<p>Stage 1 - Identify key elements to be delivered, market sounding and technical feasibility</p> <p>Note that Stage One only is proposed for approval within both Option One and Two. Stage Two is provided as context.</p>	<p>6-9 months, \$558k</p> <p>Identify demand for and requirements of a live music/performance venue</p> <p>Identify key elements of master plan to retain – views, uses, public space outcomes, parking, etc</p> <p>Feasibility testing:</p> <ul style="list-style-type: none"> - spatial feasibility - performance venue requirements, how a venue, parking, connections and open space can be arranged on the site. - Market feasibility – understand performance venue operating models and requirements, market gaps and interest, explore probable costs and delivery models, probity arrangements) - Environmental technical feasibility into ground conditions - Detailed investigations into contamination, ground conditions and water table. Include a contamination management strategy to comply with new legislative and regulatory requirements and land survey. <p>Initial work to understand the planning scheme and what may need to change to support delivery.</p> <p>Initial engagement with community on problem and priority elements of the masterplan to protect</p> <p>Confirm plan, timing and cost for delivery of whole project.</p>	<ul style="list-style-type: none"> - Develops understanding about performance space requirements, site constraints, key design elements and market feasibility to inform Site Brief development and procurement planning. - Initial consultation helps to reengage community post 2016 work, share the problem (likely need to significantly change the masterplan to accommodate a contemporary live performance venue), and identify any key elements that are priorities to retain or protect if possible ie key views. - This allows Council to make decisions about the layout of the site in future with consideration of community input and priorities. - It also supports community buy in and confidence in the process, which is important to build at the start of a leasing project of this scale to build community acceptance of the outcome at the end of the process. - This is particularly important for this project, given the history of the site and the strong level of community interest and engagement over time. - This approach allows Council to consider the planning scheme controls to support future delivery of a project on the site and secure preferred outcomes in a statutory framework. 	<p>6-9 months, \$378k</p> <p>Identify demand for and requirements of a live music/performance venue</p> <p>Identify key elements of master plan to retain – views, uses, public space outcomes, parking, etc</p> <p>Feasibility testing:</p> <ul style="list-style-type: none"> - spatial feasibility - performance venue requirements, how a venue, parking, connections and open space can be arranged on the site. - Market feasibility – understand performance venue operating models and requirements, market gaps and interest, explore probable costs and delivery models, probity arrangements) <p>Initial work to understand the planning scheme and what may need to change to support delivery.</p> <p>Key difference between Option One and Option Two:</p> <ul style="list-style-type: none"> - Market to inform Council about what additional technical site information might be required to support informed submissions during EOI process in a future project stage. - Community engagement limited to formal channels/ meetings. 	<ul style="list-style-type: none"> - No time saving as the elements removed can be done concurrently with other elements. - Saves approx \$180k initially through not undertaking environmental technical site investigations. However, Council may choose to undertake these investigations in a later stage based on feedback from the market. - There is a risk that a future EOI process (timeline or budget) for a new long term lease becomes impacted by the need for additional technical investigations to be undertaken to either inform submissions or prove deliverability of submissions (such as feasibility of an underground carpark). This could result in a situation where submissions need to be revised based on additional site information. - Alternatively, if proponents are doing their own due diligence as part of the submission process, this may extend the timeframe while they do their own studies. It could also result in multiple repetitions of same intrusive sampling on site occurring simultaneously, impacting the asset and disrupting existing use. - No proactive engagement with the community could result in: <ul style="list-style-type: none"> o A lack of Council understanding of what is a

St Kilda Triangle Project - High level outline of the first two project stages, including estimated timing and cost, September 2022

Stage	Option One Description	Option One Considerations	Option Two Description	Option Two Considerations
			<p>Database updates would be provided to notify interested community and stakeholders when council reports are scheduled for key decisions.</p>	<p>priority to community to protect as the masterplan is significantly altered.</p> <ul style="list-style-type: none"> Community action building over time leading to the need for reactive engagement to address questions and protests.
<p>Stage 2 - Confirm outcomes to be delivered, Design guidelines, procurement plan, Planning pathway</p> <p>Note that Stage One only is proposed for approval within both Option One and Two. Stage Two is provided as context.</p>	<p>Approx \$300-\$400k, 9 months</p> <p>Develop a Site Brief that describes the outcomes to be delivered and design parameters to guide the market on what they can and can't do on site (having regard to the 2016 Masterplan and the requirements of a new performance/live music venue) – key views to protect, allowed land uses, where built form can go, how much commercial footprint, environmental outcomes to be achieved etc.</p> <p>Develop a Procurement Plan to deliver the Site Brief – likely a two-stage procurement approach.</p> <p>Define the optimal planning pathway to support delivery of the Site Brief (replace existing development plan or planning scheme amendment).</p> <p>Consultation with the community on the draft Site Brief prior to finalising and embedding into procurement documentation.</p> <p><i>Note that the timeline includes:</i></p> <ul style="list-style-type: none"> 6 months for development of draft Site Brief including workshops 	<ul style="list-style-type: none"> - Builds on the feasibility work in the first stage. The purpose of the Site Brief is to set out the key information required for a shared understanding of current conditions and desired outcomes at the St Kilda Triangle, including Council, the community, wider precinct users and potential lease holders. - It is a key document informing the market and guiding interested parties to provide suitable proposals in a competitive process to procure a long-term lease arrangement. It will also be used as the basis of a planning scheme amendment or preparation of a Development Plan under the existing controls providing a framework for assessing all design proposals for the site. - It will include mandatory and discretionary design criteria that the market will be asked to address when submitting both a design and operational response. - Based on the proposed changes to the layout of the site, an optimal planning pathway will be 	<p>Approx \$290-\$390k, 6 months</p> <p>Develop a Site Brief that describes the outcomes to be delivered and design parameters to guide the market on what they can and can't do on site (having regard to the 2016 Masterplan and the requirements of a new performance/live music venue) – key views to protect, allowed land uses, where built form can go, how much commercial footprint, environmental outcomes to be achieved etc.</p> <p>Develop a Procurement Plan to deliver the Site Brief – likely a two-stage procurement approach.</p> <p>Define the optimal planning pathway to support delivery of the Site Brief (replace existing development plan or planning scheme amendment).</p> <p>Key difference between Option One and Option Two: Engagement with the community limited to formal channels/meetings and statutory obligations. Database updates would be provided to notify interested community and stakeholders when</p>	<ul style="list-style-type: none"> - Budget - Saves approximately three months and \$5-10k budget to support proactive engagement activities. - Engagement - A lack of proactive engagement with the community on the Site Brief prior to it being submitted to Council for approval could lead to a lack of community buy in and acceptance of the outcome. - If Council were to finalise the Site Brief and proceed to procurement without proactively engaging the community, there would be no opportunity to test whether there was support within the community for the new outcomes identified for the site, nor for the community to provide feedback, until Council undertook the normal consultation process for a new lease at the end of the procurement process or other formal Council decision points. - This could result in a situation where the outcome does not align with community expectations and may lead to active resistance from the community.

St Kilda Triangle Project - High level outline of the first two project stages, including estimated timing and cost, September 2022

Stage	Option One Description	Option One Considerations	Option Two Description	Option Two Considerations
	<p><i>and approval process with Councillors</i></p> <ul style="list-style-type: none"> - 3 months for consultation with community, any changes to Site Brief and Council approval process <p><i>Note that the estimated budget is a very high level estimate and would need to be further clarified through Stage One of the project.</i></p> <p><i>Note that subsequent stages would include work as required to update or amend planning scheme, undertake procurement of a new long term lease/s and implementation.</i></p>	<p>identified – (prepare a Development Plan under the existing controls, or undertake a planning scheme amendment) to best support delivery of the approved redevelopment secured through the procurement process for a new long term lease.</p> <ul style="list-style-type: none"> - Engagement with the community on the draft Site Brief allows Council to test key outcomes for the site prior to going out to market. This ensures that Council understands the likely level of support within the community for outcomes that are based on the Site Brief and allows for any changes prior to finalising and going out to market. - Engagement with the community on the draft Site Brief also supports better buy in, confidence and support for the process by the community, key stakeholders and the State Government, who is the final approver of a new lease/s. 	<p>council reports are scheduled for key decisions.</p>	<ul style="list-style-type: none"> - Ministerial Approval - State Government is the approver of leases and any associated redevelopment plans for the St Kilda Triangle. A key consideration for State Government in considering a proposed lease and redevelopment proposal, would be the level of community acceptance or buy-in of the proposed outcome. If Council cannot demonstrate that the community is largely on board with the proposal, then approval may be withheld.