



Confidential Matter

The information contained in the following council reports is considered to be confidential information in accordance with section 3 of the Local Government Act 2020.

Report No.	Report Title	Confidential reasons
Confidential Urgent business item	Proposed Relocation of the 2021 MPavilion into the Montague Precinct of Fishermans Bend	<i>(g(ii)) private commercial information, being information provided by a business, commercial or financial undertaking that if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage.</i>



CONFIDENTIAL - PROPOSED RELOCATION OF THE 2021
MPAVILION INTO THE MONTAGUE PRECINCT OF
FISHERMANS BEND

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1. PURPOSE

1.1 The purpose of this report is to:

- 1.1.1 Seek Council's in-principle approval and funding for the relocation of the 2021 MPavilion, currently located in the Queens Victoria Gardens, at the end of its season in late April 2022 to Kirrip Park in the centre of the Montague Precinct of Fishermans Bend;
- 1.1.2 Subject to Council's decision, provide delegation to the CEO and his delegate to pursue the resolution of key issues related to the relocation of the 2021 MPavilion, in consultation with the Mayor.

2. EXECUTIVE SUMMARY

- 2.1 Council has been approached by the Department of Jobs, Precincts and Regions (DJPR) with an opportunity to have the 2021 MPavilion relocated into Fishermans Bend at the end of its 2021/22 program (late April 2022). The understanding is that Council will be gifted this asset but will need to fund its relocation to the City of Port Phillip.
- 2.2 DJPR have suggested locating the Pavilion on the 'lay down' area near the nearly completed secondary school on JL Murphy reserve. There is a high demand for the use of this area including by the local community and, over time, by the new school. An alternative location, Kirrip Park has been identified by Council Officers.
- 2.3 This is an opportunity to install and use the MPavilion as a placemaking tool, continue its role as a place for cultural events and experiences and demonstrate the place-based vision of Fishermans Bend. A compilation of key visuals for the 2021 MPavilion are included at **Attachment 1**.
- 2.4 Kirrip Park in the heart of the Montague Precinct of Fishermans Bend has been identified as the ideal home of the MPavilion. The benefits of locating the MPavilion in Kirrip Park are:



- 2.4.1 Located in area that is focus of development activity and growing population;
 - 2.4.2 Providing an Iconic visual marker and destination for Montague Precinct;
 - 2.4.3 A facility for activation and use by the South Melbourne Primary School;
 - 2.4.4 Well served by existing tram and bus services; and
 - 2.4.5 It is existing public owned land, managed by Council;
- 2.5 Council officers have started to work through the technical aspects related to the relocation of the MPavilion and the proposed Kirrip Park location, including:
- 2.5.1 Cost of the relocating, placement and maintenance of the MPavilion structure;
 - 2.5.2 Siting and design requirements and site conditions (can the structure be accommodated on Kirrip Park);
 - 2.5.3 Assessing safety risks (eg is there a risk of children climbing on the structure);
 - 2.5.4 Cleaning and vandalism protection (will the structure attract vandalism, graffiti etc.); and
 - 2.5.5 Asset lifespan and maintenance requirements.
- 2.6 Council's Project Services Team have completed an initial cost estimate for this proposal and based on this initial assessment, the estimated costs for the relocation is between \$394k and \$487k.
- 2.7 This includes more than \$60k for treating contaminated soil, in addition to soil testing, structural redesign, staff overheads and a 40% construction cost contingency, based on the initial stage of the project.
- 2.8 With a substantial allocation for contaminated soil, the estimated costs will continue to be reviewed and the construction contingency refined as details are resolved.
- 2.9 Based on an initial assessment of planning applications, Council Officers believe there will be sufficient funds within Council's Fishermans Bend Open Space reserves to fully pay the remaining debt for Kirrip Park and the cost of relocating the 2021 MPavilion within 18-24 months.

Next Steps

- 2.10 Council's decision will be formally communicated to the DJPR and the Naomi Ligrom Foundation and seek additional time to enable the key issues included in section 2.5 to be addressed.
- 2.11 Following a Council decision on whether to proceed with the relocation, as recommended by this Council report, the intent is for the key issues are to be resolved to the satisfaction of the CEO or his delegate as part of the immediate next steps for this proposal.
- 2.12 Subject to the resolution of the issues, Council Officers would seek to engage selectively in confidence with key stakeholders.



- 2.13 Council Officers will seek to work in partnership with the DJPR and Naomi Ligrom on a media release and related opportunities to publicise the relocation of the MPavilion into the City of Port Phillip in late April 2022. The intent is for the media release to be made and coordinated with the lifting of the confidentiality of Council's decision.
- 2.14 The relocation of the 2021 MPavilion is intended to be commenced in mid-2022 by Council and its selected contractor.



3. RECOMMENDATION

That Council:

- 3.1 Notes the offer from the Naomi Milgrom Foundation for gifting the 2021 MPavilion to the City of Port Phillip for use by the current and future community of Fishermans Bend and thanks the Foundation for this offer.
- 3.2 Approves in-principle the acceptance of the offer from the Naomi Milgrom Foundation and supports the relocation of the 2021 MPavilion to Kirrip Park.
- 3.3 Approves a budget allocation of up to \$500,000 to fund the relocation of the 2021 MPavilion to Kirrip Park.
- 3.4 Delegates the final approval of acceptance of the offer to the CEO, subject to:
 - 3.4.1 The CEO consulting with the Mayor prior to exercising this delegation.
 - 3.4.2 The CEO or his delegate being satisfied:
 - That use of the pavilion will benefit the community either through programmed activities and events or through generation of revenue by hire of the pavilion for private events;
 - That appropriate siting and design requirements are in place and the site conditions allow the structure to be safely accommodated on Kirrip Park;
 - That safety conditions and risks have been assessed and can be managed;
 - That, over the life of the project, the ongoing maintenance and cleaning costs are reasonable and safety conditions and risks have been assessed and can be managed;
 - That the risk of vandalism has been assessed and can be managed; and
 - That relevant stakeholders and community members have been appropriately engaged.
- 3.5 Notes that the CEO or his delegate will seek additional time to consider the offer from the Naomi Ligrom Foundation to enable the actions in 3.4 to be completed.
- 3.4 Formally communicate Council’s decision to the Department of Jobs, Precincts and Regions and Naomi Ligrom Foundation.
- 3.5 Authorises the CEO or his delegate to make public the details of this resolution at an appropriate time to support public engagement and announcement of the final outcome.

4. KEY POINTS/ISSUES

4.1 Background – MPavilion

- 4.2 Each year since 2014, the Naomi Milgrom Foundation has commissioned an outstanding architect to design a pavilion for the Queen Victoria Gardens, in the centre of Melbourne’s Southbank Arts Precinct. The MPavilion then becomes the focus of a free program season of cultural events and interventions, lively talks, performances, workshops, installations and kid-friendly experiences.



- 4.3 The project for the temporary MPavilion 2021 commissioned by the Naomi Milgrom Foundation explores the condition of temporary architectural structure as a powerful attractor and indicator of the creative and dynamic quality of Melbourne, in the same way as MPavilion designs in previous years have demonstrated.
- 4.4 Information on previous MPavilions and their permanent locations across Victoria can be found here: <https://mpavilion.org/about/past-seasons/>
- 4.5 This year's M Pavilion 'The light catcher' is designed by MAP Studio. It has been designed as a kind of lantern that in its geometric abstraction wants to qualify as an urban lighthouse that illuminates and hosts the community cultural activities planned for the 2021 summer season in Melbourne.
- 4.6 At the close of each season, the MPavilion is gifted by the Naomi Milgrom Foundation to the people of Victoria and relocated to a new, permanent home, where it can be engaged by the community.
- 4.7 MPavilion Relocation Offer**
- 4.8 Council has been approached by the Department of Jobs, Precincts and Regions (DJPR) with an opportunity to have the 2021 MPavilion relocated into Fishermans Bend at the end of its 2021/22 program (last event scheduled 24 April 2022). A compilation of key visuals for the 2021 MPavilion are included at **Attachment 1**.
- 4.9 The Naomi Milgrom Foundation is keen to secure an agreement to gift the 2021 MPavilion as soon as possible to assist with their own preparations for the completion of the 2021/22 program and subsequent planning for the 2022 MPavilion.
- 4.10 This as an incredible opportunity to install and use the MPavilion as a placemaking asset and continue its role as a place for cultural events and experiences and demonstrate the place-based vision of Fishermans Bend and the Montague Precinct in particular.
- 4.11 DJPR have suggested locating the Pavilion on the 'lay down' area near the nearly completed secondary school on JLMurphy reserve. There is a high demand for the use of this area including by the local community and, over time, by the new school. An alternative location, Kirrip Park has been identified by Council Officers.
- 4.12 Background – Kirrip Park**
- 4.13 On 20 October 2018 Kirrip Park was formally opened as a new green space for the City of Port Phillip community.
- 4.14 Kirrip Park in the heart of the Montague Precinct of Fishermans Bend has been identified as the ideal home of the MPavilion. The purchasing of the industrial land and its redevelopment into an inner urban parkland was funded and delivered by Council.
- 4.15 This urban parkland involved the transformation of a former industrial factory site by Council, with the design based around principles of environmental sustainability and active stormwater management systems.
- 4.16 The park has also responded to potential climate change factors and includes flood mitigation measures through the 'open' design of the park, providing capacity for future flooding events. The integration of WSUD infrastructure including rain gardens and



swales treats run-off from roads and footpaths and in effect improves the water quality discharging into the Yarra River.

- 4.17 Given its industrial history, the park has not only increased green space, but has strategically treated a significant volume of contaminated soil by safely retaining onsite in the form of landscape mounding.
- 4.18 With the MPavilion having dimensions of Length: 12.1m x Width: 12.1m x Height: 8.5m there are a handful of possible locations within Kirrip Park that this structure could be accommodated.

4.19 Background – Montague Precinct and Growing population

- 4.20 Despite COVID, the past 12 months has seen a considerable number of major developments completed in Fishermans Bend with 1263 new dwellings and up to 2,400 new residents settling across its precincts.
- 4.21 As the Fishermans Bend Precinct with the best existing infrastructure and services, Montague Precinct has attracted the greatest development activity with active planning applications currently indicating there are 1,846 new dwellings proposed for the Precinct with up to 3,500 new residents if constructed and occupied.
- 4.22 Enhancing Kirrip Park with locating the MPavilion as a new structure for use by the current and the rapidly growing future community is a tangible opportunity and would complement earlier investment in public facilities in the Precinct.

4.23 Benefits of Relocating MPavilion to Kirrip Park

- 4.24 Key benefits from relocating the MPavilion into Kirrip Park include:
 - 4.24.1 Located in area that is focus of development activity and growing population;
 - 4.24.2 Providing an Iconic visual marker and destination for Montague Precinct;
 - 4.24.3 A facility for activation and use by the South Melbourne Primary School;
 - 4.24.4 Well served by existing tram and bus services; and
 - 4.24.5 It is existing public owned land, managed by Council;

4.25 Costs

- 4.26 The expectation is that Council will be gifted this asset but needs to fund its relocation.
- 4.27 Council's Project Services Team have completed an initial cost estimate for this proposal.
- 4.28 Based on this initial assessment, the costs for the relocation works have been estimated to be between \$394k and \$487k.
- 4.29 This includes more than \$60k for treating contaminated soil, in addition to soil testing, structural redesign, staff overheads and a 40% construction cost contingency, based on the initial stage of the project.
- 4.30 With a substantial allocation for contaminated soil, the estimated costs will continue to be reviewed and the construction contingency refined as details are resolved.



- 4.31 Ongoing cleaning and maintenance costs have been estimated at approximately \$28k per year, which will need to be factored into operational budgets.
- 4.32 Ability for Council to fund the relocation of the MPavilion**
- 4.33 Open Space Contributions (OSCs) from the completion of new developments within Fishermans Bend currently come to Council, based on 8% of the Site Value of the property. Council will continue to receive OSCs on all permits granted prior to the gazettal of the proposed DCP (expected late 2022 at the earliest). Council generally receives OSCs on issuing of the plan of subdivision.
- 4.34 Council determined to forward fund the purchase and redevelopment of Kirrip Park in the Montague Precinct several years ago. Currently there is approximately a deficit of \$1.87m remaining in the Fishermans Bend open space reserves from this forward funding.
- 4.35 Based on an initial assessment of planning applications, approved planning permits and developments under construction forecast OSCs are likely to repay the above deficit within 12-18 months.
- 4.36 Based on this assessment and forecast, it is likely there will be sufficient funds within Council's Open Space Reserve to fully pay the remaining debt for Kirrip Park and the cost of relocating the 2021 MPavilion into the Montague Precinct.
- 4.37 Further details are provided in section seven of this Council report on financial impacts.
- 4.38 Technical issues to be resolved**
- 4.39 Council officers have started to work through the technical aspects related to the relocation of the MPavilion and the proposed Kirrip Park location, including:
- 4.39.1 Siting and design requirements that preserve key open space functions.
 - 4.39.2 Site conditions e.g. contaminated land and high-water table.
 - 4.39.3 Method of construction.
 - 4.39.4 Assessing safety risks.
 - 4.39.5 Cleaning and vandalism protection
 - 4.39.6 Asset lifespan and maintenance requirements
- 4.40 Following a Council decision on whether to proceed with the relocation, as recommended by this Council report, the intent is for the above technical issues to be resolved as part of the immediate next steps for this proposed project.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 The following areas of Council have been consulted in the preparation of this report:
- 5.1.1 Construction, Contracts and Operations;
 - 5.1.2 Open Space, Recreation and Community Resilience;
 - 5.1.3 City Growth and Culture; and
 - 5.1.4 Finance.



- 5.2 There are a number of stakeholders, such as the South Melbourne Primary School, that Council Officers have been unable to engage with in the development of this report, due to confidentiality and timeframes.
- 5.3 Alongside resolving the technical issues related to the relocation of the MPavilion structure into Kirrip Park, Council Officers will be exploring potential uses for the MPavilion for activations to support community building in the Precinct.
- 5.4 Council Officers would seek to engage selectively with key stakeholders to build buy-in as part of the next steps of the proposal.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 The key risks to Council in considering this proposal are identified below, along with how these risks are intended to be managed or mitigated:
- 6.2 **Contaminated Land** – As part of the construction of Kirrip Park significant contaminated soil was identified with a mixture of organic material and heavy metals. The worst of this has been treated and retained on-site.
- 6.3 The design of the MPavilion has been reviewed and the likely foundations estimated to make provision within the estimated cost for conducting soil testing and further provision for treating the likely volume of contaminated land.
- 6.4 **High water table** – Like other parts of Montague Precinct, Kirrip Park has a high water table. Siting of the relocated MPavilion is proposed to be on higher ground to minimise the impact of any excavation, avoiding any overland stormwater paths. Structural redesign has also been included in the cost estimates to ensure that the ground is suitably robust to bare the weight of the MPavilion structure.
- 6.5 **Costs** – The proposal is in its initial project stage with a number of details still to be resolved. To reflect this the cost estimates have included a 40% construction contingency. The intent is that as the scope of works is made clearer and details are resolved, this contingency will be further reviewed and refined.
- 6.6 **Affordability** – Council works in a constrained, rate capped environment. This makes the ability to fund unplanned or unbudgeted proposals difficult. Council received other revenue through Open Space Contributions from new developments in Fishermans Bend as well as the City more broadly. As the MPavilion structure embellishes the Kirrip Park open space, is likely to attract more users to visit Kirrip Park and is available to the public facility, allows a portion of the Open Space Contributions generated within Fishermans Bend to be used to fund the relocation of the MPavilion to a fitting new location within Kirrip Park in the Montague Precinct.

7. FINANCIAL IMPACT

- 7.1 Open Space Contributions (OSCs) from the completion of new developments within Fishermans Bend currently come to Council, based on 8% of the Site Value of the property. Council will continue to receive OSCs on all permits granted prior to the gazettal of the proposed DCP (expected late 2022 at the earliest). Council generally receives OSCs on issuing of the plan of subdivision.
- 7.2 Council determined to forward fund the purchase and redevelopment of Kirrip Park in the Montague Precinct several years ago. OSCs have been received in relation to



Fishermans Bend precincts since 2016. Collection of OSCs across all Fishermans Bend precincts have been applied against the forward funding of Kirrip Park as well as projects at Northport Oval and JL Murphy reserve. Currently there is approximately a deficit of \$1.87m remaining in the Fishermans Bend open space reserves from this forward funding.

- 7.3 Council has collected OSCs of approximately \$2,000,000 per annum for the last four financial years.
- 7.4 Based on an initial assessment of planning applications, approved planning permits and developments under construction forecast OSCs are likely to repay the above deficit within 12-18 months.
- 7.5 The MPavilion is eligible for OSC funding as it is to be relocated to a relatively new park which has been established to address future residents needs within the Montague precinct. The resident population is estimated to grow from a current population of between 1,000 and 1,500 residents to over 19,000 residents when the Montague precinct is fully established. It is also possible that it will attract a more intensive use of the park as a focal point for scheduled community activities, and informal and formal public gatherings.
- 7.6 Based on this assessment and forecast, it is likely there will be sufficient funds within Council's Open Space Reserve to fully pay the remaining debt for Kirrip Park and the cost of relocating the 2021 MPavilion to its new home in the heart of the Montague Precinct.
- 7.7 Ongoing cleaning and maintenance costs have been estimated at approximately \$28k per year. This will need to be funded through additional budget allocations to existing maintenance programs.

8. ENVIRONMENTAL IMPACT

- 8.1 The proposed relocation of the MPavilion provides for repurposing of the structure, prolonging its use and avoiding materials going to landfill.
- 8.2 The provision of footings and other structural and preparatory works for the relocation will consider the use of more sustainable materials and practices and will be progressed as part of the next stage of project development.
- 8.3 Kirrip Park performs a role in managing the impacts of flooding along its eastern edge, which the siting of the relocated MPavilion will avoid in order to preserve the performance of this important feature of the open space.
- 8.4 As an area prone to flooding the water table in Kirrip Park and surrounds is higher than normal, limiting the ability to excavate for footings. Siting of the relocated MPavilion will preference the elevated land along the western side of Kirrip Park.

9. COMMUNITY IMPACT

- 9.1 The relocation of the MPavilion provides a central place for cultural events and experiences and demonstrate the place-based vision of Fishermans Bend and the Montague Precinct in particular. It will provide additional capacity for:
 - 9.1.1 Located in area that is focus of development activity and growing population;



9.1.2 Providing an Iconic visual marker and destination for Montague Precinct;

9.1.3 A facility for activation and use by the South Melbourne Primary School;

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

10.1 This report is primarily aligned to the Liveable Port Phillip Strategic Direction within the Council Plan 2021-31, with this initiative to progress: *“Partner with the Victorian Government to deliver outcomes in the Fishermans Bend strategic framework”*.

10.2 As an iconic structure and artwork to attract more people to visit the precinct the relocation of the MPavilion into Kirrip Park and its capacity to increase opportunities for park activation also supports delivery of a Vibrant Port Phillip Strategic Direction within the Council Plan.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

11.1.1 Council’s decision will be formally communicated to the DJPR and the Naomi Ligrom Foundation prior to the end of December 2021 and additional time sought to consider the offer of the 2021 MPavilion.

11.1.2 Following a Council decision on whether to proceed with the relocation, as recommended by this Council report, the intent is for the key issues are to be resolved as part of the immediate next steps for this proposal – Early 2022.

11.1.3 Hold point to confirm key issues have been resolved to the satisfaction of the CEO or his delegate – Early 2022.

11.1.4 Subject to the resolution of the issues, Council Officers would seek to engage selectively with local stakeholders and build buy-in to the proposal – Early 2022.

11.1.5 Close of 2021/22 MPavilion program, announcement of 2021 MPavilion relocation to Kirrip Park and public release of this confidential decision and council report – Mid 2022.

11.1.6 Relocation works commences – Mid-2022.

11.2 COMMUNICATION

11.3 Council has been offered an incredible opportunity to be gifted the 2021 MPavilion following the close of its 2021/22 program by the Naomi Milgrom Foundation for Council to relocate and then use as a placemaking tool for cultural events and experiences and demonstrate the place-based vision of Fishermans Bend.

11.4 Enhancing Kirrip Park with locating the MPavilion as a new structure for use by the current and the rapidly growing future community is a tangible opportunity to complement earlier investment in public facilities in the Precinct by Council.

11.5 Based on this initial assessment, the costs for the relocation works have been estimated to be up to \$500k, with the ability to be funded through Open Space Contributions generated within Fishermans Bend. With a substantial allocation for contaminated soil, the estimated costs will continue to be reviewed and the construction contingency refined as details are resolved.



12. OFFICER DIRECT OR INDIRECT INTEREST

12.1 No officers involved in the preparation of this report have any material or general interest in the matter.

ATTACHMENTS

1. Supporting visuals - 2021 MPavilion

Supporting Visuals – 2021 MPavilion relocation



Figure 1: Three dimensional model of the 2021 MPavilion - 'Light Catcher'

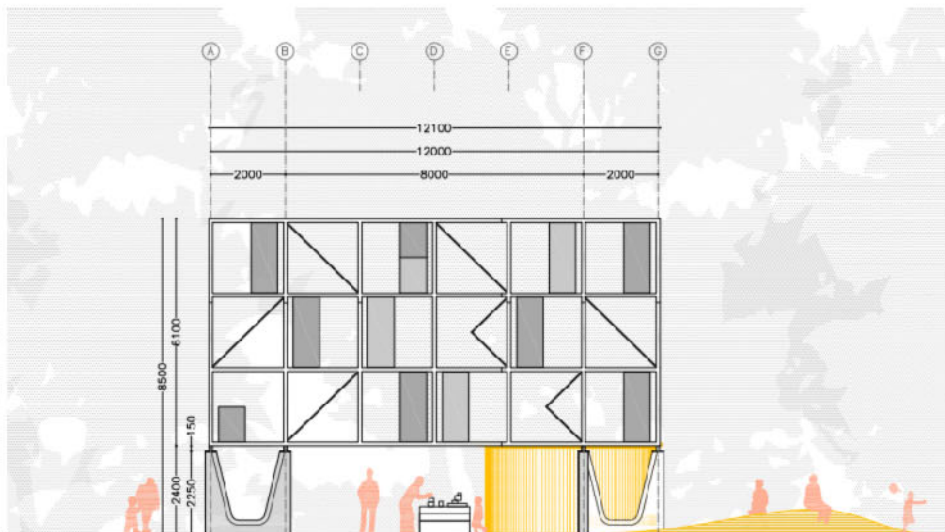


Figure 2: Excerpt of 2021 MPavilion design for its temporary location in Queen Victoria Gardens, opposite the National Gallery of Victoria, St Kilda Road.

Supporting Visuals – 2021 MPavilion relocation



Figure 3: Indicative sketch of the 2021 MPavilion structure located within its proposed home in Kirrip Park



Figure 4: Photo of the 2021 MPavilion on-site prior to the 2 December 2021 opening.