

12.4 Marion Park Golf Course

Report Reference	GC220823F12.4
Originating Officer	Unit Manager Sport & Recreational Community Facilities – Mark Hubbard
Corporate Manager	Manager City Property – Thuyen Vi-Alternetti
General Manager	General Manager City Development – Tony Lines

CONFIDENTIAL MOTION

That pursuant to Section 90(2) and (3)(d)(i) and (ii) of the *Local Government Act 1999*, the Council orders that all persons present, with the exception of the following persons: Chief Executive Officer, General Manager City Development, General Manager Corporate Services, General Manager City Services, Manager Corporate Governance, Manager City Property, Manager Finance, Unit Manager Sport and Recreational Community Facilities, Unit Manager Communications, Unit Manager Governance and Council Support, Community Facilities Planner and Governance Officer, be excluded from the meeting as the Council receives and considers information relating to Marion Golf Park, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to the current redevelopment options and costs for the Marion Golf Park.

REPORT HISTORY

Report Reference	Report Title
SGC210713F12.1	Marion Golf Park
GC210223	Marion Golf Park Consultation & Marketing Plan
GC201208	Marion Golf Course – Management and Capital Investment
ASC220405F9.2	Marion Park Golf Course – Infrastructure Investment

REPORT OBJECTIVE

To provide Council with an update on discussions with the Seacliff Developer in relation to potential joint opportunities for the Marion Park Golf Course.

EXECUTIVE SUMMARY

At the Special General Council Meeting on 13 July 2021 (SGC210713F12.1) Council unanimously endorsed progressing to the preliminary design stage for a new integrated clubroom and pro shop building for the Marion Park Golf Course.

Whilst the designs were being completed, a second grant application and business case seeking \$1.5 million in funding support for the Marion Park Golf Course upgrade was submitted to the Office for Recreation, Sport and Racing (ORSR).

On 11 January 2022 Council was informed that the ORSR grant submission was unsuccessful.

After learning of the grant outcome, Administration investigated options to provide new course buildings and a car park solution through a potential partnership with the Seacliff Developer. The

Developer has an interest in connecting the golf course to the development and enhancing the overall quality of the course to improve the sales offering for the new apartments. The Developer is also looking at options to address stormwater issues that could be achieved through detention works on the golf course.

Unfortunately, after months of exploring the alternate investment option for the golf course clubhouse it has not reached a point where there are sufficient outcomes to indicate that it would result in a suitable solution at this stage.

As such, it is proposed that Council:

- Continues discussions with the developer around the stormwater management solutions.
- Discontinues discussions for a joint venture on the golf clubhouse.
- Commits to investing in a staged approach to deliver the new Marion Park Golf Course clubhouse, car park, green keeping facility and signage in line with the preliminary designs being presented in a further report at the General Council Meeting on 23 August 2022.

RECOMMENDATION

That Council:

- 1. Notes the report.**
- 2. Notes that Administration will continue discussions with the Developer around site stormwater management solutions and that discussions for a joint venture on the golf club house will discontinue.**
- 3. In accordance with Section 91(7) and (9) of the Local Government Act 1999, orders that the report, Marion Park Golf Course, having been considered in confidence under Section 90(2) and (3)(d) (i) and (ii) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2022.**

DISCUSSION

Concurrent to Council's development of upgrade plans for the Marion Park Golf Course there has been the ongoing development of the Seacliff Residential plans, which have involved numerous meetings and discussions between Council and the Developers. Through these discussions the idea was floated that there may be a potential joint venture approach to the development of the golf course that could have benefits to Council, the community and developers.

The idea of a potential joint venture solution was raised at the April 2022 Asset and Sustainability Committee meeting (ASC220405F9.2). Support was given for Administration to explore the option on the basis that:

1. The Seacliff Park developer takes primary responsibility for a clubhouse/pro shop building with associated car park and access road.
2. Community access to the golf course would continue and the existing golf club be able to maintain a distinct identity and fundraising opportunities, with reasonable fees and time on the golf course.
3. Council is able to ensure long term irrigation of the greens.

At the latest meeting held with the developer on 5 August 2022 some high-level options prepared by the developer for the clubhouse and car parking locations were discussed (refer Attachment 1). The discussions indicated that the Developer's approach to a potential solution is as follows:

- Options A and B in Attachment 1 assume the Developer would relocate a modular sales office used for stages 1 and 2 of the development to become the clubhouse solution.
 - The modular building would be 100–150sqm in size and as such would need expansion and fit out to become potentially suitable for a clubhouse solution.
 - The developer indicated their contribution would be the modular building and that any other expenses such as car parking, course re-design and other works may be at Council's expense.
- Option C would see a clubhouse built into a Stage 3 apartment building. The levels of contribution of the parties for this option have not been explored at this stage.

Should these options be viable, the earliest timeframe for one of the options to progress (likely to be Option A or B after stage 1 and 2 are completed) would be in 4 to 6 years' time. Option C appears more likely to be 6 to 8 years away dependant on the timeframes to sell the apartments in Stages 2 and 3.

Administration did explore an alternative to renovate the existing golf clubhouse as a short-term solution while Council continues to negotiate with the Developer. This option required a further investment by Council of \$262,311 with the overall project costing approximately \$650,000 and delivery in 2023/24.

However, following a number of discussions with the Developer there are still a range of unknowns to determine if there is merit in continuing to pursue a partnership approach to a clubhouse solution for the golf course, being:

- What would the Developer's investment be for Options A & B outside of the repurposing of their sales office?
- What would be Council's overall investment level be?
- How much golf course works (changes to course layout to suit the new location of the clubhouse) will be required and is there a cost-benefit in doing so?
- Would Boral provide approval for the buildings to be located on Boral land, and would Council want to locate the clubhouse on Boral's land?
- What would be the operational model and what would Villawood members be expected to receive in return?
- Would there be any impact to the current low-cost access model for the community?

There are too many unknowns for Council to continue to hold off on any further investment at the facility whilst negotiations with the Developer continue. The Club has been in their temporary facility for over 15 years following the demolition of their clubrooms. From existing discussions, it is likely that if the joint venture with the developer was to come to fruition, there would be considerable costs to Council and greater potential impact to the existing users of the facility than originally expected.

It is proposed that Council continues discussions with the Developer around the stormwater management solutions and that discussions for a joint venture on the golf club house discontinue.

A further report on the Marion Park Golf Course clubhouse will be presented and considered by Council at this meeting for a decision on the next steps for this project.

ATTACHMENTS

1. SV Golf Club Relocation Opportunities Plan - Confidential Aug 2022 [**12.4.1** - 1 page]

