



11.2 PORT PHILLIP ECOCENTRE REDEVELOPMENT

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1. PURPOSE

- 1.1 To provide Council with an update on the EcoCentre redevelopment design and confirm Council support for progressing proposals for Victorian Government and philanthropic funding.

2. EXECUTIVE SUMMARY

- 2.1 Council has committed to contribute to the Port Phillip EcoCentre (the EcoCentre) redevelopment in the *Council Plan (2017-27)*. This commitment is subject to external partnership funding.
- 2.2 The partnership approach reflects the scale of the redevelopment required and the benefits the EcoCentre provides to the community across Victoria.
- 2.3 Community consultation was undertaken from 24 February 2020 to 20 March 2020 and has been used to inform the next stage of design development.
- 2.4 The construction of the project can be accelerated to align with the Victorian Government's post COVID-19 economic stimulus package.
- 2.5 A budget bid is also being prepared to submit to the Department of Environment Water Land and Planning for consideration for funding in 2021-22.
- 2.6 The EcoCentre organisation has developed a comprehensive capital fundraising campaign and are meeting with philanthropic organisations and potential individual donors. A large capital contribution from a philanthropist could result in naming rights to part or whole of the building. In this scenario the rights would be subject to final approval by Council and by the Minister of Planning and would last for ten years.

3. RECOMMENDATION

That Council:

- 3.1 Confirms its support for the redevelopment of the Port Phillip EcoCentre as outlined in the *Council Plan (2017-27)*.
- 3.2 Thanks the community for participating in the community engagement activities and for the feedback received regarding the Port Phillip EcoCentre proposed redevelopment concept plans.
- 3.3 Continues to seek partnership funding of \$2.75 million (50 per cent of the project costs) from the Victorian and Australian governments to enable the redevelopment to proceed.
- 3.4 Provides in principle support for the EcoCentre to acknowledge philanthropic contributions via the naming of part or whole of the building.
- 3.5 Notes that the terms and conditions of naming part or whole of the building will be subject to a future Council decision, in the event that a capital contribution is pledged.



4. KEY POINTS/ISSUES

Background

- 4.1 The Port Phillip EcoCentre (the EcoCentre) delivers environmental education, volunteering and practical action projects to the community. The City of Port Phillip has a long standing strategic partnership with the EcoCentre that includes the provision of annual funding and a five-year lease agreement for use of the premises in the St Kilda Botanical Gardens.
- 4.2 The facilities are ageing and no longer fit for purpose. The EcoCentre's program delivery has become constrained by the limitations of the building.
- 4.3 Council has committed to the redevelopment of the EcoCentre in its Council Plan and a budget allocation of \$3.2 million (subject to external funding).
- 4.4 A Strategic Business Case was developed in October 2017 to critically evaluate and outline the benefits of a redevelopment to Council and the community. It concluded that the redevelopment project returns a net economic benefit of \$3.2 million. A significant investment in the building was identified as required to allow for growth of the service, to achieve increased education provision, employment, volunteerism and economic output. Furthermore, it recommended that the building should be of a high environmental design standard to demonstrate leadership to the residents, municipality, and wider community.
- 4.5 The total project cost of the redevelopment is estimated to be \$5.5 million. This will deliver a building that achieves the EcoCentre's strategic direction and provide Council with an adaptable property asset that achieves high standards in design and sustainability, on an iconic site.
- 4.6 The advocacy strategy to secure external funding has been based on a partnership model of matched funding. This reflects the scale of the redevelopment required and the benefits the EcoCentre provides to the community across Victoria.
- 4.7 The Victorian Government has provided \$182,000 to support the development of detailed design and community consultation by 30 June 2020.
- 4.8 Council has sought partnership funding from both the Victorian and Australian governments for half the estimated project costs - \$2.75 million. Council has further proposed a two-stage construction option with partnership funding of \$1.4 million towards the project costs to deliver stage one. A further \$2-2.5 million would be required for stage two.
- 4.9 The EcoCentre organisation is also seeking philanthropic support for construction costs.
- 4.10 Council's preferred option is to obtain full partnership funding and construct the entire building as a single project. Constructing in two stages will cost more due to the fixed costs and overheads associated with two separate construction projects.

Building Design

- 4.11 A two-storey design has been proposed to reduce the footprint of the building and maximise the available outdoor space. The design also maximises the use of screening vegetation and natural features to reduce the visual impact of the building from the Botanic Gardens in line with Heritage Victoria expectations.



- 4.12 The attached designs include feedback from the recent community consultation and will be submitted to the Department of Environment, Land, Water and Planning as part of a formal budget bid for partnership funding in 2021-22. (Attachment 2).
- 4.13 The design includes the following:
- Six Star Green Star sustainable design rating (the highest score available)
 - Net zero carbon in operation
 - Multi-purpose space for large meetings or training sessions
 - Shared office space for paid employees and volunteers
 - A full-service kitchen for use by community programs
- 4.14 The design allows for the project to be built over two separate stages if required to respond to a range of partnership funding opportunities that may arise.
- 4.15 If the building is constructed in stages, then the first stage will still provide the key functions and features required to maintain the EcoCentre's current community services. The second stage of construction will allow for additional space to meet forecast growth in demand for the EcoCentre's services.

Community Consultation

- 4.16 The Port Phillip community was invited to provide feedback on the EcoCentre Proposed Redevelopment concept plan from 24 February 2020 until 22 March 2020. The community was encouraged to provide their feedback via an online survey on Have Your Say.
- 4.17 The survey was completed by 271 people. Survey respondents were asked to provide their level of support for the proposed concept design and their reasons for that view along with any other feedback they had on the design.
- 4.18 The Engagement Report (Attachment 1) found that:
- Ninety per cent of respondents supported the concept plan with 81% very supportive.
 - Eighty-three per cent of respondents were satisfied with the look and feel of the design.
- 4.19 There were varying opinions from the respondents about whether the building design should be more or less 'modern looking'. Some were concerned that the two-storey design might be too obtrusive while others praised the small building footprint that was achieved by utilising two stories.
- 4.20 The Community consultation report was co-funded by the Department of Environment, Land, Water and Planning (DELWP) and will be included in the formal budget bid to the Victorian Government for funding in 2021-22.

Project Funding

- 4.21 As detailed earlier in this report, Council's preferred option is to partner to deliver this project in one stage within the budget of \$5.5 million.
- 4.22 However, the project has been designed to allow for a two-stage construction.



- 4.23 There is opportunity for the project to be included in the Victorian Government's post COVID-19 stimulus package and officers have developed an accelerated construction timetable to align with this funding opportunity.
- 4.24 The EcoCentre organisation has also developed a comprehensive capital fundraising campaign and are meeting with philanthropic organisations and potential individual donors.
- 4.25 If a donor pledges \$1 million or more, there is an opportunity for naming rights to part or whole of the building. In this scenario the rights would be subject to final approval by Council and by the Minister of Planning and would be limited to ten years.

Project timeline

- 4.26 The attached designs (Attachment 2) will be used to support efforts by Council and the EcoCentre to obtain partnership funding from other levels of government and philanthropy.
- 4.27 The construction timetable is dependent on partnership funding opportunities and Council decisions must be outside of the Council Election caretaker period.
- 4.28 If the project attracts funding through the Victorian Government's COVID-19 recovery economic stimulus funding is received, site construction works can commence in October 2020.
- 4.29 A Heritage Permit from Heritage Victoria and building permits would be required prior to commencing works.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 The EcoCentre's Committee of Management President and organisation representatives have provided input to the design to ensure it can cater for the type and scale of services it provides. The EcoCentre is also supportive of pursuing options for either full or staged redevelopment to maximise opportunities to obtain partnership funding. However, the preference is for a one stage build.
- 5.2 The EcoCentre Steering Group meets every six weeks. The redevelopment project is a standing item on the agenda for discussion by the Steering Group members. Membership includes the EcoCentre's President and Executive Officer, Council's General Manager City Strategy and Sustainable Development, Manager Environmental Sustainability and Coordinator Sustainability Programs.
- 5.3 Community consultation included 271 participants with 90% demonstrating support for the concept design.
- 5.4 The community will have a further opportunity to comment on the project if it proceeds to a formal application for a Heritage Permit. The Heritage Permit process includes statutory advertising and a consultation period. No further planning permissions are required.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 The EcoCentre project as originally planned is at risk of not continuing due to funding uncertainty.
- 6.2 The development of a staged approach provides an alternative that maximises the opportunities for at least partial partnership funding to be realised and partial redevelopment to occur. However, staged construction will ultimately cost more to



complete the full redevelopment. This is due to the fixed costs and overheads associated with two separate construction projects.

- 6.3 The condition of the existing EcoCentre building is poor. This is an ageing council asset with limited ability to provide for the EcoCentre's services. The current condition of the building was assessed in 2015 during the development of "Building Condition" and "Functionality Audit" reports. Both reports recommended that significant action was needed to provide a usable Council Asset.
- 6.4 Since 2015, further investigations within the business case included an assessment of relocation and renovation options that demonstrated that the high renovation costs and reduced functionality outcomes would result in a less effective use of Council's investment.

7. FINANCIAL IMPACT

- 7.1 Council has committed \$3.2 million to the EcoCentre Redevelopment in the Council Plan and Budget (subject to partnership funding).
- 7.2 The full \$5.5 million partnership project (i.e. 50/50 funding with Victorian Government) includes \$2.75 million investment from Council.
- 7.3 The Department of Environment, Land, Water and Planning (DELWP) has provided \$182,000 towards the project. Grant acquittal is due on 30 June 2020 with the key deliverables of community consultation and detailed design drawings.
- 7.4 A staged approach of the redevelopment will increase the total cost of the project. Depending on the timing of the second stage, total project costs are estimated to be in the range of \$6.2 to \$6.7million. Council's contribution will not increase.

8. ENVIRONMENTAL IMPACT

- 8.1 The redevelopment will support the EcoCentre to deliver increased environmental education programs to the community and demonstrate excellent sustainability standards in building design and operation.
- 8.2 The Strategic Business Case demonstrated that doing nothing will result in compromised environmental service delivery by the EcoCentre. Temporary buildings on site have allowed for current levels of service delivery to be maintained. Without a capital investment, service levels will reduce.
- 8.3 If only Stage 1 of the redevelopment is constructed, then current service levels can continue with minimal growth over the short term. The full project delivery is required to future proof service delivery to the municipality's growing population.

9. COMMUNITY IMPACT

- 9.1 The EcoCentre is a community hub that provides educational and social activities that connect community members through volunteering.
- 9.2 Redevelopment of the EcoCentre will increase the level of community support it provides and allow for a greater range of services to be introduced.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 The EcoCentre redevelopment is a specific commitment in the Council Plan (2017-27) under Direction 3 – We have smart solutions for a sustainable future. This is then reflected in Action 24 of Council's endorsed Act and Adapt, Sustainable Environment



Strategy (2018-28) specifically “Contribute to the EcoCentre redevelopment (subject to external funding). Continue to invest in EcoCentre programs that support an environmentally aware community.”

- 10.2 The EcoCentre supports delivery of other priorities in the Council Plan, including completing an Ecological Biodiversity Study, delivering environmental education in schools, Elster Creek Partnership flood management, and reducing contaminants in Port Phillip Bay.
- 10.3 The project is also aligned with Council’s recent declaration of a Climate Emergency as the EcoCentre provides support and guidance to the community on sustainable living and adapting to climate change.

11. IMPLEMENTATION STRATEGY

- 11.1 If funding is received via a Victorian or Australian government COVID-19 economic stimulus package then the project timeline will be accelerated to commence site works on October 2020.
- 11.2 If funding isn’t received, a formal budget bid to the Department of Environment, Land Water and Planning for \$2.75 million partnership funding in 2021-22 will be submitted by 30 June 2020.

12. COMMUNICATION

- 12.1 The Community Consultation report summarising feedback received on the EcoCentre concept plans for redevelopment will be shared via Council’s Have Your Say website
- 12.2 The community will also have another formal opportunity to comment when the project proceeds to the Heritage Victoria permit application stage through statutory consultation periods.
- 12.3 The EcoCentre provides services to support our community to live sustainably and adapt to Climate Change.

13. OFFICER DIRECT OR INDIRECT INTEREST

- 13.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.

TRIM FILE NO: 30/18/72

ATTACHMENTS

- 1. Attachment 1 - EcoCentre Concept Design Consultation Report
- 2. Attachment 2 - EcoCentre Designs