

STRATEGY AND POLICY REVIEW COMMITTEE
3 OCTOBER 2005 **POLICY AND PLANNING**

A5 **SITE ASSESSMENTS FOR SOUTH PORT
COMMUNITY RESIDENTIAL HOME
REDEVELOPMENT - FINAL REPORT
FROM THE COMMUNITY REFERENCE
PANEL**

LOCATION/ADDRESS: **N/A**

RESPONSIBLE EXECUTIVE DIRECTOR: **SALLY CALDER, COMMUNITY &
CULTURE**

AUTHOR: **CAROL MAYELL, MANAGER SOCIAL &
CULTURAL PLANNING & POLICY**

FILE NO.: **02/04/10**

ATTACHMENTS: **THREE**

1. KEY ISSUES

- 1.1. The Community Reference Panel, appointed by the council in July 2005 to assess sites suggested by the community and the council, has completed its work and eliminated 12 sites. The panel has noted however that no sites were identified that did not have constraints, including the recommended site.
- 1.2. The panel has recommended that the Gas & Fuel site, on the corner of Pickles and Richardson's Streets (within Gasworks Park) Albert Park, is the site offering the most possibilities for redevelopment of the South Port Community Residential Home (SPCRH) and should be investigated fully.
- 1.3. The Gas & Fuel site has recently been offered to the council for sale. Further investigation by the council on behalf of SPCRH, into the feasibility and implications of purchase, needs to occur prior to making a final decision as to its suitability.
- 1.4. SPCRH are deferring their application for additional high care beds to the Commonwealth government to the 2006 funding round. Funding guidelines indicate that a site must be secured and plans developed prior to application.
- 1.5. Other matters raised by the panel but outside the Terms of Reference have been noted in the recommendations of this report. These include exploration of other uses for Elder Smith Reserve to enhance either the asset or derive more community benefit. Other matters relate to adequate protection of historically significant sites, rezoning and principles relating to the use of public open space.

2. CONTEXT

- 2.1. South Port Community Residential Home (SPCRH), a not for profit community managed high level care aged facility currently located on council owned land at 18–30 Richardson Street Albert Park, presented council with a new redevelopment proposal. This was considered by the council in the May meeting cycle and was endorsed in principle at its ordinary meeting on 23 May 2005, based on the financial plan and projections provided and conditional that a reputable financial institution is prepared to finance the redevelopment.
- 2.2. The SPCRH case for redevelopment is in response to community need, commonwealth government certification and accreditation standards and to ensure that integrated and sustainable quality care options are available into the future to enable older residents to remain in their local community.
- 2.3. The council committed \$100K in August 2003 to the SPCRH fundraising campaign once launched. At that time redevelopment was being considered on their existing site.
- 2.4. Previous merger discussions with other residential aged care community managed providers over the last few years to improve and increase high care options in the municipality have not been successful. A key factor in these discussions relied on the agreement that a particular type and scope of redevelopment for SPCRH was required. The council has accepted SPCRH assessment of their situation and their redevelopment proposal as the best way of ensuring the council's policy objectives.
- 2.5. The council at its meeting of 23 May 2005 directed officers to commence a comprehensive community consultation process to engage the community in addressing local aged residential care issues and to gauge the impacts of the proposed redevelopment on the three council identified sites at that time.
- 2.6. As a result of that consultation process the Council endorsed 12 sites and an additional 11 criteria at its ordinary meeting on 27 June 2005, for the purpose of assessing a suitable site for the redevelopment and relocation of South Port Community Residential Home. This task was referred to a Community Reference Panel.
- 2.7. The council Community Reference Panel was established to assess the sites nominated by both the council and those suggested by community members during consultation in June and July 2005 and any other sites, which were referred to the panel.
- 2.8. The panel comprised three community members: John Lewis; Carolyn Hutchens; and Ian Kidston. Other members are; Margaret Thorpe (SPCRH); David Yeouart (City of Port Phillip); Carol Mayell (City of Port Phillip); and Kate Redwood (independent chairperson)
- 2.9. The panel met during July and August 2005 to conduct the assessments and conferred during September to finalise the panel report.

- 2.10. The chairperson on behalf of the panel conveyed to the council in the panel's Progress Report of 22 August that the panel may not be able to nominate one preferred site. This was due to the range of constraints that faced the remaining four sites. More detailed information was being gathered to assist further assessment.
- 2.11. This further information resulted in one site being recommended as the strongest possibility for SPCRH purposes. The reasons for elimination of the other three sites are detailed in the body of the panel report and they cover a range of issues.

3. PROPOSAL

- 3.1. The proposal is to:
 - 3.1.1. Accept the recommendations of the Community Reference Panel, noting that as a result of further information the assessment concluded that only one site remained as a possibility from the four sites presented to the council in the progress report of 22 August 2005.
 - 3.1.2. Further investigate the feasibility and implications of purchase of the Gas & Fuel depot site Gasworks Park against financial, environmental, planning and community benefit considerations.
 - 3.1.3. Formally approach SPCRH to seek their support to commence negotiations with the owners of the Gas & Fuel depot, dependent on a positive assessment of the feasibility of recovery of costs and minimal risk exposure to the council.
 - 3.1.4. Ensure that adequate and comprehensive time is given to communication with the community about the proposal if the site is found suitable for the purpose. Usual statutory planning processes would also apply.

4. OPTIONS

- 4.1. Possible sites managed or owned by the council and the possible crown land options within the municipality have been extensively canvassed. These no longer present options for the SPCRH redevelopment.
- 4.2. Purchase of land (in a campus model) appears to be the most feasible way forward given the above considerations. State government assistance with clean-up costs or other contributions will be sought.

5. POLICY IMPLICATIONS

- 5.1. The council has a policy to maintain at a minimum, 60 high care beds for residential aged care needs within the municipality. This proposal to further investigate the feasibility of purchase of the Gas & Fuel depot site would ensure that the council's policy objective is met.
- 5.2. Provision of council owned or managed land is one of the council's key policy strategies to support existing community managed not for profit residential aged care providers in the municipality. This policy approach has not included purchase of land for aged residential care purposes.
- 5.3. The purchase of land for this purpose therefore creates a new policy direction, but the opportunity to recover or share costs is possible and is advised. Benefits include the acquisition of an asset that could strengthen the viability of a community not for profit provider and provide additional options for the council and community sector in the future to meet changing needs.
- 5.4. The principles to guide a feasibility assessment of the site for both purpose and purchase provides means to ensure the risks and the council's and community's interests are considered fully.
- 5.5. The retention or increase of both independent housing options and residential aged care options are policy priorities for council. The report proposal would achieve both outcomes.
- 5.6. SPCRH redevelopment proposal presents an integrated service model offering a continuum of care and accommodation choices, which acknowledges the changing demographics and socio-economic profile of the local community, without compromising its commitment to affordable and accessible care for those with fewer resources.
- 5.7. The council has already requested that SPCRH include options to provide some of the 30 or more independent living units for people on low incomes, without jeopardizing the financial viability of the redevelopment.

6. SUSTAINABILITY IMPLICATIONS

6.1. Social

The proposal would still enable the inclusion of low cost accommodation to be factored in to the redevelopment proposal as previously requested by the council. This could remain a requirement of any future option if the proposal is unable to be achieved.

6.2. Economic

The purchase of land provides some flexibility and future financial security for the council and SPCRH through the acquisition of an additional asset to meet residential aged care needs. The proposal seeks to minimize any financial exposure of the council.

The proposal also ensures that an increase in the range of housing options available to older residents can be achieved for the municipality.

6.3. Environmental

Acquisition of the site presents an opportunity for further clean-up of contaminated sites in the municipality and thereby increasing options for future use. It is also an opportunity to enhance the use and 'look' of the site. A campus model also reduces the potential bulk of such a development on any one site.

6.4. Cultural

The depot site has significant heritage features associated with the high brick wall and some of the buildings. A heritage citation provides guidance as to suitable design to protect or enhance key features.

7. RESOURCE IMPLICATIONS

7.1. The investigation into feasibility of purchase is premised on a cost recovery model for the council or purchase by SPCRH.

7.2. A revised financial model by SPCRH may not have the capacity to cover full purchase price.

7.3. Contributions from the State government will be sought to assist with costs for clean-up, particularly on the existing site of SPCRH.

7.4. Any budget allocations required will be referred to the five-year strategic resource plan.

8. INTERNAL CONSULTATION

- 8.1. An internal reference group has supported the progress of this project. The group includes two directors (Community & Culture and Urban Services), campaigns coordinator, coordinator strategic planning, coordinator aged and community care. Additional information and advice has been sought from the chief executive officer, director corporate services, manager statutory planning, projects manager infrastructure and capital works and the property services coordinator. They are in agreement with the direction of the recommendations.
- 8.2. This group will continue to provide advice as the investigation of feasibility continues.
- 8.3. Briefing of the councilors and individual discussions with relevant ward councilors has occurred during the project. Their comments, particularly in relation to community consultation, were considered in the process and in the development of this report.

9. EXTERNAL CONSULTATION

- 9.1. Previous reports on this topic have detailed the broader community consultation process.
- 9.2. This part of the project was guided by input and advice from the Port Phillip Community Reference Panel. The community members are: Carolyn Hutchens; Ian Kidston; John Lewis; Margaret Thorpe (SPCRH) and Kate Redwood (independent Chairperson).
- 9.3. The Community Reference Panel's final report and recommendations have formed the basis for this report. All community members agree with the general recommendations of the report.
- 9.4. The council also presented the project to the recent Victorian Community Cabinet meeting held in the City of Port Phillip.
- 9.5. Representatives of SPCRH, including the Chairperson of the Board has continued to stay in close communication with the council and is supportive of the recommendation of the Gas & Fuel depot site for further investigation.

10. IMPLEMENTATION

- 10.1. Written support is sought from SPCRH to commence negotiations with the owner of the Gas & Fuel depot site.
- 10.2. SPCRH is requested to revise their funding model and redevelopment proposal to accommodate a campus model and the potential increased costs of the project, as part of the feasibility assessment.
- 10.3. Council officers continue to investigate any potential financial, planning, environment and community benefit issues as part of the assessment.
- 10.4. The Council's website and other communication channels, are to be updated to inform the community of the status of the SPCRH redevelopment and the site investigation.
- 10.5. A media release is prepared following the recommendations of the council committee meeting.

11. CONCLUSION

- 11.1. The council has a policy to maintain at a minimum, 60 high level care beds for residential aged care needs within the municipality.
- 11.2. A new location is required by SPCRH to achieve a redevelopment, which includes 90 high care beds and at least 30 independent living units.
- 11.3. The council appointed a community reference panel in July 2005 to assess 13 sites against endorsed criteria developed by the council and the community.
- 11.4. The Port Phillip Community Reference Panel has recommended that the council further investigate the feasibility of purchase of the Gas & Fuel depot site. This proposal would ensure that the council's policy objective is met. Other options have been extensively explored either during this process or previously.
- 11.5. The process to find an alternative site for SPCRH's redevelopment has highlighted the critical situation that the council and the community faces in finding suitable and available land for current and future community service needs, that does not place significant financial burdens on the council or the community sector.

12. RECOMMENDATION

- 12.1. That the Council notes the September 2005 Final Report of the Port Phillip Community Reference Panel and the assessments and recommendations regarding the 13 site assessments undertaken for the South Port Community Residential Home redevelopment.
- 12.2. That the Council endorses the recommendations of the Port Phillip Community Reference Panel Final Report, September 2005. In addition, that the council notes that further information received by the panel since the progress report of 22 August 2005 led to a conclusion that only one site remained as a possibility from the remaining four sites presented to the council at that time.
- 12.3. That the Council notes that the process of assessment was thorough and balanced in addressing the criteria endorsed by the council on 27 June 2005. The work was conducted in the spirit of finding a solution that would work for SPCRH and the broader community.
- 12.4. The recommendations of the Panel are:
 - 12.4.1. That the council notes that the Panel explored all sites referred to it and assessed each against the criteria set by the council.
 - 12.4.2. That the council notes that the Panel found no site was entirely suitable and without constraints.
 - 12.4.3. That the council notes that the Gas & Fuel site (owned by Alinta and located at the corner of Pickles Street and Richardson Street in Gasworks Park Albert Park), presents possibly the most exciting option. While the difficulties of developing the site associated with respecting the heritage elements, not building on top of the pipeline, restricting the footprint, and addressing the need for decontamination, are not underestimated, nevertheless the positive outcomes of a successful development on this site are considered to be significant both for the SPCRH organization and its residents, but also for the community generally. It is therefore recommended that Council support the further investigation of this site as the preferred option, and facilitate the resolution of those issues identified as problematic in its successful utilization.
- 12.5. That the Council notes the recommendation of the Gas & Fuel site by the panel is premised on a campus model for the SPCRH redevelopment. SPCRH is therefore requested to revise its redevelopment proposal to accommodate a campus model, which includes consideration of the independent living units on the Gas & Fuel site and rebuilding the nursing home on their existing site as an option.
- 12.6. The Council is therefore advised to undertake further investigation into the feasibility, implications and risks of purchase of the Gas & Fuel depot site (Attachment Two) currently under offer for sale to the council. That this investigation needs to occur prior to making a final decision with SPCRH, as to the site's suitability. The outcomes of these investigations are to be reported to the council.

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- 12.7. That the Council consider the following principles as a guide for this investigation:
- 12.7.1. That the implications of securing the Gas & Fuel site for the SPCRH redevelopment are fully assessed against financial, environmental, planning and community benefit considerations that do not expose the council to undue risk.
 - 12.7.2. That SPCRH provides a revised funding model that takes into account a campus model, the cost of purchase and clean-up of the site
 - 12.7.3. That the council seeks assistance from the State government in any clean-up costs associated with either campus site, if it proceeds
- 12.8. That the Council notes that the Panel raised other matters outside of the Terms of Reference, which they requested be considered by the council. The matters and the context in which they may be considered are canvassed below:
- 12.8.1. The future use of Elder Smith Reserve is considered in the context of the yet to be developed new council open space strategy. Opportunities are explored to derive more community benefit from the Elder Smith Reserve at that time and within the council open space priorities. That this takes into account the Panel's and the community's observations (noted during the public consultation process) that the Elder Smith Reserve is very poorly utilized as a public reserve. It is partly a Public Park and Recreation Zone (5,107m²) and partly an Industrial 1 Zone (6,233m²).
 - 12.8.2. That the council notes the Panel's concern that open space zoned for public park and recreation purposes was considered for development, as part of this assessment process. This matter may also be considered in the context of the future new open space strategy.
 - 12.8.3. That the council notes that other matters raised by the Panel, relating to the provision of adequate protection of historically significant sites, in particular Garden City Reserve and St. Vincent's Boy's Orphanage, has been responded to partially. A report from the council's Strategic Planning department to this same Strategy & Policy Review Committee meeting on 3 October 2005, addresses the heritage protection matters for St. Vincent's Boy's Orphanage, as part of the South Melbourne Central plan amendment.
 - 12.8.4. Acknowledgement of the historic significance of Garden City Reserve, the beacon navigation area and a possible change from the current residential 1 zoning to public recreation zoning of the former Howe Parade area, be referred to the relevant council review processes.

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- 12.9. That the Council extends its appreciation and thanks to the community members, the SPCRH representative and the chairperson of the Port Phillip Community Reference Panel for their diligence and the high standard of their work on behalf of the community and discharges them from their duty. These members are: Carolyn Hutchens; Ian Kidston; John Lewis; Margaret Thorpe and Kate Redwood (Chairperson).
- 12.10. That the Council formally approaches SPCRH to seek support for commencing negotiations with the owners of the Gas & Fuel depot site at Gasworks Park dependent on a positive assessment of the feasibility of recovery of costs and minimal risk exposure for council.
- 12.11. That the Council note that SPCRH must have a site secured and plans developed by May 2006 to meet the 2006 Commonwealth government funding round for additional beds and to meet the funding criteria.