

## St Kilda Triangle Options for Next Steps, 6 December 2023

Option	Description	Benefits	Risks	Comments
<p><b>Option 1 - Advocacy for State Government investment in a business case for a new live music and performance venue on the St Kilda Triangle</b></p> <p>Council investment – up to \$400k</p>	<p><b>Advocacy (Council)</b> - Timeframe: Ongoing to mid-2024.</p> <p>Present the outcomes of the St Kilda Triangle market sounding and feasibility study to the Victorian Government, including the outcomes of the community consultation, and request funding and resources within the 2024/25 budget to undertake a business case, with Council to contribute up to \$400k.</p> <p><b>State Government Business Case for Investment (State)</b> Timeframe: 8 to 10 months commencing mid-2024.</p> <p>Detail the case for investment outlining the problem the proposal is solving and the benefits for government investment (State and Council) to support a contribution to the project in accordance with State Government business case protocols. Would likely include a functional design brief and cost plan, review of delivery models in detail, delivery solution, risk assessment and other work required to secure funding for project delivery.</p>	<ul style="list-style-type: none"> <li>- Advocacy for support from State Government to progress the project continues to be undertaken.</li> <li>- Funds are invested only when Government support and funding is secured for a business case.</li> <li>- A State Government led business case is standard practice for any project receiving significant public government funding.</li> <li>- The combined Council and State Government partnership approach would support delivery of a project with local and state-wide benefits.</li> </ul>	<ul style="list-style-type: none"> <li>- State Government support for a business case may not eventuate.</li> <li>- Active work on the project is halted until funding for a business case is confirmed.</li> </ul>	<ul style="list-style-type: none"> <li>- A proof of concept has been produced that confirms that a live music and performance venue is needed, fits on the site and is supported by the industry and majority of the community.</li> <li>- A business case is the next step to support public investment in the project and State Government are best placed to undertake this work.</li> <li>- Advocacy to State Government to fund a business case rather than undertaking further investigative work mitigates the risk of rework being required when a State Government business case gets underway.</li> </ul>
<p><b>Option 2a – Advocacy for State Government investment in a business case for a new live music and performance venue on the St Kilda Triangle, with Council to undertake additional preparation work</b></p> <p>Council investment:</p> <ul style="list-style-type: none"> <li>- Additional work - \$170k</li> <li>- Business case - up to \$400k, with consideration to the work that has been done to inform the business case</li> </ul>	<p><b>Advocacy – (Council)</b> Timeframe: Ongoing to mid-2024. (As above)</p> <p><b>State Government Business Case for Investment (State)</b> Timeframe: 8 to 10 months commencing mid-2024. (As above)</p> <p><b>Additional Council led work</b> Timeframe: 6 months commencing 2024</p> <p>Undertake additional work to the value of \$170k to prepare for a business case and progress the project, limited to a Cultural Heritage Management Plan and values assessment (useful for any projects on the site) and additional commercial analysis to inform future procurement planning.</p>	<ul style="list-style-type: none"> <li>- Advocacy for support from State Government to progress the project continues to be undertaken.</li> <li>- Some project work continues to progress while Council seeks support and funding from State Government for a business case.</li> <li>- The time frame for delivery of a Cultural Heritage Management Plan and values assessment can be lengthy. Undertaking this work now sets up a future project for the site.</li> <li>- The further commercial analysis would increase Council's understanding of the market and contribute additional information to the business case.</li> <li>- Council likely would be in a better position to respond to any changes in the market.</li> <li>- The combined Council and State Government partnership approach would support delivery of a project with local and state-wide benefits.</li> </ul>	<ul style="list-style-type: none"> <li>- State Government support for a business case may not eventuate.</li> <li>- Additional Council funds would be expended without any certainty of next steps.</li> <li>- State Government may decide to redo work undertaken by Council.</li> </ul>	<ul style="list-style-type: none"> <li>- As above, a business case is the next step to support public investment in the project and State Government are best placed to undertake this work.</li> <li>- Undertaking further work on several key elements of the project that will need to be done in a future stage regardless, at the same time as advocating to State Government for investment in a business case, is a way to continue to progress the project without major investment.</li> <li>- Engaging with State Government on the additional work would mitigate the risk of work being undertaken by Council that may be redone by State Government.</li> </ul>
<p><b>Option 2b – Advocacy for State Government investment in a business case for a new live music and performance venue on the St Kilda Triangle, with Council to undertake additional preparation work</b></p> <p>Council investment:</p> <ul style="list-style-type: none"> <li>- Additional work - \$110k</li> <li>- Business case – up to \$400k, with consideration to the work that has been done to inform the business case</li> </ul>	<p><b>Advocacy – (Council)</b> Timeframe: Ongoing to mid-2024. (As above)</p> <p><b>State Government Business Case for Investment (State)</b> Timeframe: 8 to 10 months commencing mid-2024. (As above)</p> <p><b>Additional Council led work</b> Timeframe: 6 months commencing 2024</p> <p>Undertake additional work to the value of \$110k to prepare for a business case and progress the project, limited to additional commercial analysis to inform future procurement planning.</p>	<ul style="list-style-type: none"> <li>- Advocacy for support from State Government to progress the project continues to be undertaken.</li> <li>- Further reduction in investment by Council prior to certainty of next steps but continues to progress the project through advocacy and commercial analysis.</li> <li>- The further commercial analysis would increase Council's understanding of the market and contribute additional information to the business case.</li> <li>- Council likely would be in a better position to respond to any changes in the market.</li> <li>- The combined Council and State Government partnership approach would support delivery of a project with local and state-wide benefits.</li> </ul>	<ul style="list-style-type: none"> <li>- State Government support for a business case may not eventuate.</li> <li>- Additional Council funds would be expended without any certainty of next steps.</li> <li>- State Government may decide to redo work undertaken by Council.</li> </ul>	<ul style="list-style-type: none"> <li>- As above, a business case is the next step to support public investment in the project and State Government are best placed to undertake this work.</li> <li>- Undertaking further commercial analysis that will need to be done in a future stage regardless, at the same time as advocating to State Government for investment in a business case, is a way to continue to progress the project without major investment.</li> <li>- Engaging with State Government on the additional work would mitigate the risk of work being undertaken by Council that may be redone by State Government.</li> </ul>

Option	Description	Benefits	Risks	Comments
(As for 2a, with a further reduced scope reducing costs)				
<p><b>Option Three - Advocacy for State Government investment in a business case for a new live music and performance venue on the St Kilda Triangle, with Council to progress due diligence work required for the business case</b></p> <p>Council to undertake detailed preparation work required for a business case up to the value of \$400,000.</p>	<p><b>Advocacy – (Council)</b> Timeframe: Ongoing to mid-2024. (As above)</p> <p><b>State Government Business Case for Investment (State)</b> Timeframe: commencing mid-2024.</p> <p>Time frame could be reduced with due diligence work being completed by Council as an input to the business case.</p> <p><b>Additional Council led work</b> Timeframe: 6 months commencing 2024</p> <p>Testing of key site elements to inform the Business Case about the project risks and the options for mitigation and to respond to community queries and concerns from Stage 1 consultation.</p> <p>This could include:</p> <ul style="list-style-type: none"> <li>- Parking and traffic movement studies to resolve current questions and issues</li> <li>- Views Analysis to resolve impact on views and how best to respect existing key views</li> <li>- Review of planning and legislative controls to identify any change to controls required to support implementation</li> <li>- Inground assessments (geotechnical and environmental)</li> <li>- ESD review</li> <li>- Cultural Heritage Management Plan and Cultural Values Assessment</li> <li>- Gender Impact Assessment</li> <li>- Further feasibility assessment of the 'Future development site' as marked on the indicative site plan</li> <li>- Update Commercial Analysis and Delivery Model work and desktop market testing exercise.</li> <li>- Consultation with the community on any major changes proposed to the indicative site plan or design approach as a result of the further work.</li> </ul>	<ul style="list-style-type: none"> <li>- Advocacy for support from State Government to progress the project continues to be undertaken.</li> <li>- The project continues to significantly progress while Council seeks support and funding certainty from State.</li> <li>- Key due diligence works are undertaken in preparation for and to inform the business case, specifically the costs and risks component, expediting the completion of the business case.</li> <li>- Questions or concerns raised in the commercial analysis and community consultation would be further investigated.</li> <li>- Council likely would be in a better position to respond to any changes in the market.</li> <li>- The combined Council and State Government partnership approach would support delivery of a project with local and state-wide benefits.</li> </ul>	<ul style="list-style-type: none"> <li>- State Government support for a business case may not eventuate.</li> <li>- Significant additional Council funds would be expended without any certainty of next steps.</li> <li>- State Government may decide to redo work undertaken by Council. Increased risk of overlap between work with an increased scope of work.</li> </ul>	<ul style="list-style-type: none"> <li>- As above, a business case is the next step to support public investment in the project and State Government are best placed to undertake this work.</li> <li>- Undertaking due diligence work and work to respond to questions and concerns raised during the consultation will need to be done in a future stage regardless, at the same time as advocating to State Government for investment in a business case, is a way to significantly progress the project.</li> <li>- Engaging with State Government on the additional work would mitigate the risk of work being undertaken by Council that may be redone by State Government.</li> <li>- Some or all of this work could be useful for informing a revised approach to progressing redevelopment of the St Kilda Triangle.</li> </ul>