

Recreation and Aquatic Facility (RAF) proposed by City of South Perth

[REDACTED]
[REDACTED]

This submission is on behalf of [REDACTED] who have been regulars each week at Collier for over 25 years. We have also met with [REDACTED] [REDACTED] player groups. We have about 180 regular golfers between us, most playing twice a week. Collectively we have grave concerns about the way the golfers are going to be disadvantaged by the RAF, and the potential financial impacts on the City of South Perth (COSP) over many years. [REDACTED] see the RAF as a COSP dream, mostly driven by senior staff. The deficit of approx. \$40million in funding is likely to be the major hurdle.

Availability of the Business Case; On Friday 13-11-20 we finally had access to the Agenda Briefing. The Business Case was embedded in approximately 700 pages of documents and attachments. Much of the important detail especially re risk factors has been redacted. We have found several flaws in the design and operational details.

Major deficit in funding; With an estimated total initial cost of \$79 million, there is \$20 million promised via Federal Member Steve Irons. It would have seemed necessary and truthful to disclose that a letter from the WA State Government has been received by COSP. It clearly stated that the State Government has no funds to offer the RAF. With WA funds committed to the revamp of the WACA, it is unlikely that significant funding would now be offered to COSP.

Curtin University focus over optimistic ; The funding/ usage/involvement suggested through Curtin Uni are all painted with great optimism. Curtin University is in financial stringency with staff recently in the process of being dismissed. A large financial contribution from Curtin is unlikely.

The Curtin Walk through the middle of the Pines 9 of CPGC is especially a problem. Designed to cater for an expected deluge of Curtin students using the RAF please rethink this Curtin Walk. Golf is a quiet sport, and is NOT compatible with loud talking and persons using mobile phones nearby. Five of

the 9 holes on the Pines 9 would be affected by noise issues. The safety of the students would require shelter from stray golf balls and in bushland there are problems for personal safety, especially for females.

Why ruin the golf course? Golf is popular, and with closures at Glen Iris and Burswood, Collier is likely to maintain the current good patronage. Currently CPGC is profitable, serves the public golfers well and the 18 holes/ 9 hole combination is good. If the RAF were constructed on the Lakes 9, it would result in a 30% reduction in available tee off time slots for longer course golf compared with the current 27 holes availability. The removal of 9 holes from the 27 hole Collier Park Golf Course (CPGC) is not a sensible idea.

The CPGC buildings are very functional with a good clubhouse, café, covered areas. It is a long stretch to say the facilities need replacement. We have received independent advice from an architect viewpoint that the facilities are NOT requiring replacement/major upgrades for many years.

Some other golf related points to consider; The 56 bay driving range is neither one thing or the other. Hitting into netting about 100 metres away is not a substitute for having a driving range catering for hits of 200 metres, as at present at CPGC. Parking at a RAF would be an issue for golfers, especially with plans to impose paid parking.

COSP does not HAVE to provide a full range of facilities. The COSP does not have major shopping centre complex (although the Mends Street, Waterford, Angelo Street and other shopping centres are excellent). The COSP does not have an industrial area, and people manage to reach a Bunnings store elsewhere.

If councillors allow the RAF to proceed South Perth Council Rates MUST go up. All the early publicity on the RAF gave a “no rate increase” answer given in the FAQ section of the COSP website for the RAF. Now that \$20 million funding from COSP was committed on 24-11-2020, this certainly cannot be the case. We contend that there is no mandate to proceed.

Submission on the City of South Perth RAF Business Plan.

The following comments are based on feedback I have received from numerous ratepayers and residents in the City of South Perth and surrounding LGAs together with advice from experts within Western Australia and interstate who have considerable experience with aquatic / recreation centre complexes.

Financing

The most important issue that has been inadequately addressed is the Business Plan which relates to the funding aspects of the proposed RAF. According to accountants including those with expertise in the finances of recreation / aquatic centres here and interstate, the financial aspect of the Business plan is inadequately presented. They say that the figures are presented in such a way that it is impossible to determine their accuracy. They suggest that a truly **INDEPENDENT review on this aspect by people who are experts in the finances of such large and complex recreation / aquatic centres is made public before any further decision is made to progress the RAF proposal.** The selection of such experts will be critical to the integrity of whole project. It is time to end what many residents feel is a *smoke and mirrors approach* with feel-good statements that have dominated the 'marketing campaign' on this project to date.

The justification of the proposed location at Collier Park Golf course is an inadequately substantiated attempt to claim that it will provide significant construction and ongoing operational cost savings. CP Golf Course already apparently has a significant loan that requires servicing and the annual claimed 'profits' it generates seem to be overstated. This is particularly so with the ongoing upgrading / maintenance costs to the course. These 'profits' could according to accountants, be significantly eroded through the loss of the Lakes 9 as a 'regular' 9-hole course.

The upheaval to the current relatively efficient Collier Park Golf Course and the costs associated with the reconfiguring the Lakes 9 course are likely to be substantial. The planned expensive 'computerised / video-game-like' driving range is according to golf experts likely to be far inferior to the current 'natural' range with grass practice tees and real-life tracking of balls.

The \$20M CoSP ratepayer's 'contribution' has blown out from what we understand was initially a \$10M maximum 'contribution' from this source. Fortunately, the loan interest will be relatively low for a few years until interest rates *eventually* creep back to 'normal' levels. But there will be an immediate significant annual impost on rates through paying back the capital component.

For an estimated capital cost of \$80M, the City has received only a commitment of \$20M from the Federal Government and its own commitment of \$20M. This leaves the *remaining* \$40M capital cost required to build the RAF yet to be found. 'Grapevine' communication suggests that up front funding from Curtin University for example is very unlikely in light of their massive financial deficits that have already resulted in 140+ staff redundancies. It is purported that the NTEU (National Tertiary Education Union) is unlikely to look favourably on any significant multimillion dollar contribution from Curtin while further staff job losses are threatened. This is especially so when the relatively new Curtin University Stadium Complex adjacent to Collier Park with its outstanding recreation facilities already adequately services their student and staff population plus a significant community clientele.

We are aware that the State Government has written to the CoSP CEO and Council clarifying that they have no intention of providing any funding for the construction or

operational costs of the RAF. It is therefore perplexing that the CoSP is still pursuing this potential funding source.

Impact on existing other non-council owned aquatic and recreation facilities.

The economic impact of the RAF on other non-council owned aquatic and recreation facilities within South Perth and neighbouring communities is unclear. Some private operators are concerned that ratepayers will be contributing to a Council owned business that will compete for the same clientele and threaten the viability of their privately owned businesses.

In the past CoSP has worked collaboratively with adjoining Councils (Vic Park, Melville, Canning etc). Some Councillors and residents in those LGAs see the construction of the RAF as a serious impediment to future positive relationships. The stated catchment area for the RAF overlaps significantly into their areas and will compete seriously with their existing aquatic and recreation facilities. In some instances, the future viability of those facilities is likely to be threatened. I was advised recently that the Town of Vincent is also very concerned about the Federal and State funding for a new aquatic centre at the WACA that will compete with Beatty Park Pool for both patronage and sorely needed funding for the upgrade of the heritage listed buildings. I am also aware that residents of S Perth currently regularly use the Beatty Park pool. Of course, the recently announced funding for the WACA facility is yet another reason why a new RAF in South Perth is likely to be superfluous.

Similarly, it is unclear about the likely effect of the RAF's on-going loan servicing and operational costs on the financial ability of the CoSP Council to support other local services / organisations in South Perth over the next 20 years or so (e.g., bowling, cricket, football, tennis, hockey, rowing and other sports; bridge, Historical Society, scouts, and the S Perth – Victoria Park Joint Bicycle Plan).

The Future of Collier Park Golf Course (CPGC)

Informed members of the 'golfing community' have expressed surprise with the RAF proposal for the CPGC. They point out that such a large multi-use complex is likely to have a detrimental rather than an enhancing effect on golf in the City of South Perth. Demand for golf will continue to grow with the increasing promotion of golf among children and youth and along with a growing retiree group and overall population growth. There has also been a concomitant decrease in golf courses available to people living in S Perth and surrounding LGAs in recent years. Burswood, Glenn Iris, and Rosehill courses have been closed for housing and other developments, and there is a possibility some of the Melville course could be sold for housing, and the Fremantle public course is under threat. Hence the future looks very positive for the 27 holes at Collier Park. The loss of the Lakes 9 as a viable 'regular' course could impact not only the revenue for CP but also result in a major shortage of playing slots. It is already very competitive to secure a game during the busy morning sessions on most days of the week.

Possible Alternative Proposal

The location of the RAF at Collier Park Golf Course (CPGC) is very controversial with likely significant negative effects. If only part of the funds required for the RAF are confirmed then maybe a less ambitious facility could be considered at the 'original' and more logical site, the George Burnett Centre (GBC) on Manning Road. The smaller RAF could include the 50m pool but fewer other expensive aquatic facilities, along with a scaled down version of the more profitable fitness centre facilities. This will need to be subject to a new rigorous business case. The GBC site is more accessible than CP, adjoining excellent public transport links, and bicycle routes and has significant vehicle parking areas with a relatively

safe traffic light-controlled intersection at Manning Road. It is within walking and cycling distance for a large local population in adjoining Karawara, Manning, Salter Point, Cygnia Cove, Waterford and Como. It is also in proximity to Curtin University, Curtin Primary School, Manning Primary School, Como Secondary College, Clontarf Aboriginal College and Aquinas College.

In comparison, the entrance to Collier Park Golf Course is already very dangerous especially with vehicles exiting to the south. The annual traffic volumes into the proposed RAF at CP will be extremely large with a majority of an estimated in excess of one million annual 'visits' arriving by car. Costly road works will be needed to accommodate this increased traffic, including traffic lights or a new roundabout. These costs have not been included in the RAF estimates, but will still likely be borne by CoSP ratepayers.

City of South Perth

22 Jan 2021

Responses to Detailed Submissions not submitted via “Your Say”

	Officer Response
\$40million funding deficit	The City continues to work on funding for the project and are progressing well towards the target.
Availability of the Business Case	The document is commercial in confidence, and therefore not appropriate for release publically, this includes the details of the case. It is the role of Council to make a determination on behalf of the community under these circumstances. Council were provided un-redacted details together with multiple briefings, to ensure they were fully informed prior to making any decision.
Need for an Independent review of the Business Case	The Operational Feasibility Report was commercial in confidence.
Letter from State Government	Council were made aware of the letter and that discussions with the State Government on funding continue. The State Government have made clear in these discussions that approval of the Business Case and a City commitment is necessary before the State will consider their own contribution.
Curtin university Focus over-optimistic	Curtin have continued to confirm their commitment to the project. The City is awaiting a formal letter confirming a capital contribution and the potential for ongoing operational support. (The business case assumes a model of a capital contribution in return for no-rent) The quantum of capital contribution will allow the City to confirm what operational contribution to rent will or will not be necessary.
The Curtin Walk through – concern over noise impacts	Given Royal Perth golf course, the City’s other course, is located immediately adjacent to the Kwinana Freeway, we believe the concerns over noise are being over-stated. There is a walking access through the course that will be designed to ensure safety and screening from active golf. It is not expected to attract a “deluge” of students, but to provide an alternative shaded access route.
The location of the RAF at CPGC and options for a smaller facility at GBLC	The site was selected as the preferred location after an in depth study identified it as the most appropriate and financially viable location. Full details are available in the September 2019 Council report. The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering capital repayments, operations, maintenance & replacement costs. The forecast is that the facility will reduce the rates burden not increase it. The proposal provides a net saving over the current financial demands for the overdue renewal of the existing facilities. The City has investigated options for smaller facilities and this is the first proposal that has been forecast as being financially sustainable.
Competition with other facilities	The patronage studies demonstrate there is sufficient patronage to provide for the facility.
Why ruin the golf course?	The closures of other WA golf courses demonstrate the commercial environment Collier Park golf operates within. It is essential to the ongoing financial sustainability of the course that it modernises and updates its offerings. Traditional golf is the form of golf with the lowest financial return. The 27 hole course must therefore be supported by additional golf based offerings e.g. mini-golf, technology driving range for a course to remain financially viable into the future. The RAF supports the business plan objectives that have been developed for the course following commercial review and consultation.
“Loss” of 9 holes and 30% capacity	The course will be maintained at 27 holes. The capacity is not expected to be impacted – and the longer and shorter nines will be preferred by different types of golfer. The shorter course will preference skill over power and will take less time to play. Accordingly it will attract golfers seeking skills improvement, those with physical limitations and those with time limitations.

<p>The CPGC facilities are NOT requiring replacement/major upgrades for many years.</p>	<p>This is factually incorrect.</p> <p>The buildings are in a poor state of repair and now require significant investment with inadequate toilets and changing facilities for large groups. The facilities are not suitable to support the expansion of the business. Good examples are the potential for significant F&B profits and the single level driving range that does not provide sufficient bays to maximise revenue.</p>
<p>Technology Driving Range</p>	<p>The concern is understood as the driving range is proposed to utilise a new type of technology to WA – the feedback from other international facilities is that golfers now use the feedback on screens rather than following the ball. Customers are expected to adapt to the new technology once they have experience of it.</p> <p>The gamification and integrated F&B service will significantly broaden the customer base and improve the profitability of the range.</p>
<p>Parking at a RAF would be an issue for golfers, especially with plans to impose paid parking.</p>	<p>The parking provisions have been confirmed to be adequate in the first instance, and the design includes for future expansion of parking via a second floor.</p> <p>There are no plans for paid parking.</p>
<p>COSP does not HAVE to provide a full range of facilities, and concern over competition with other recreation and aquatic facilities</p>	<p>The provision of local aquatic facilities had been an established desire of the South Perth community for some time, leading to its inclusion in the Strategic Community Plan.</p> <p>The population of South Perth and the broader metro area is continuing to expand and will require additional facilities. The Operational Feasibility report indicates there is suitable demand for additional facilities.</p>
<p>If councillors allow the RAF to proceed South Perth Council Rates MUST go up. Concern over the \$20million City contribution.</p>	<p>The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering operations, maintenance & replacement costs and matching existing City facility revenue. The forecast is that the facility will reduce the rates burden not increase it. The proposal provides a net saving over the current financial demands for the overdue renewal of the existing facilities.</p>
<p>Access to the Golf Course is hazardous</p>	<p>The access to the golf course was reviewed in the traffic study and it has been confirmed that it can be appropriately modified.</p>