

St Andrew's Dianella Property – Planning,  
Funding, Development Program and  
Leasing Report (including Lot 9004  
Boddington Circuit)

26 March 2021

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# 1.0 Introduction

This report has been prepared by **element** Advisory Pty Ltd (**element**) for Dr Con Berbatis to provide planning and development advice to the Hellenic Community of WA (HCWA) associated with the proposed redevelopment of the land at Lots 100-102 (2, 2A & 2B) Hellenic Drive, and Lot 9004 (2) Boddington Circuit, Dianella (the site).

The advice relates to the proposed retention and rationalisation of the St Andrews Grammar School (SAGS) site whilst still allowing for a growing K-12 school, retention of the Hellenic Community Aged Care (HCAC) and allowing for possible new leasehold uses including a swim school, childcare centre, medical centre and allied health uses. This is shown in the Master Plan prepared by T&Z Architects that is provided at Figure 1 overleaf.

*Refer to Figure 1 – Master Plan*

The purpose of this report is to:

1. Identify opportunities to rationalise the use of the site to generate ongoing income for the Hellenic Community of WA (HCWA);
2. Identify funding options, including alternative forms of funding that may be available;
3. Outline the relevant requirements of the planning framework;
4. Set out the recommended process for undertaking key stakeholder engagement as part of the development application; and
5. Proposed next steps.

This report has been prepared by **element**, a multidisciplinary team offering statutory and strategic planning, stakeholder engagement, heritage services, urban design, place making, public art management and cultural consulting. The report also incorporates the development advice of B&S Consultants and the strategic development and positioning advice of Mr Michael Megaw. Comment has also been sought from property development consultancy Blokk Property Australia.

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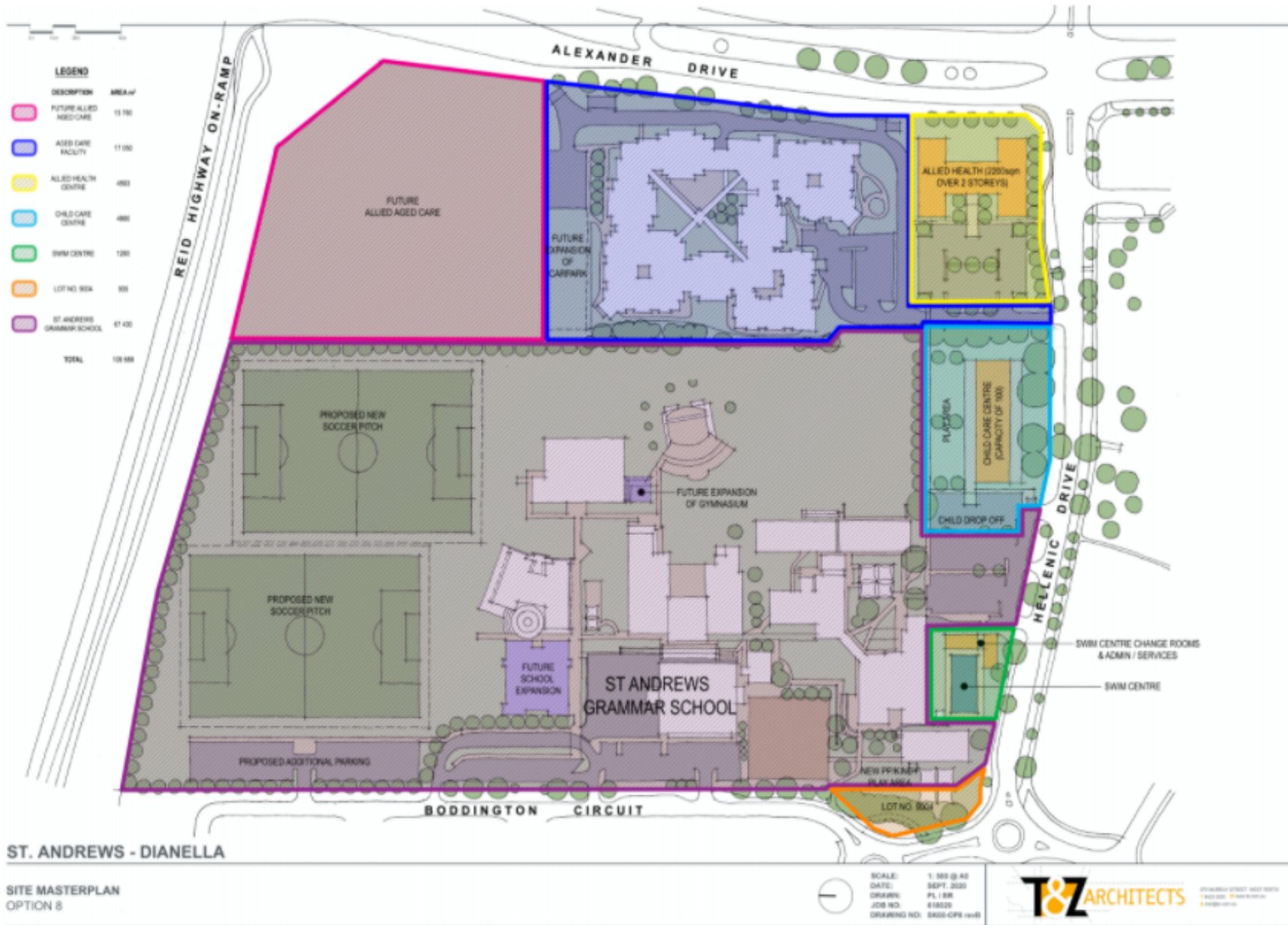


Figure 1. Master Plan 1

## 1.1 Summary of Key Findings

- The site comprises 10.9704 ha and is currently used by the SAGS and the HCAC. HCWA is investigating options to redevelop the site to retain and rationalise the school site (whilst still allowing for a growing K-12 school), retain the HCAC and to allow for possible new leasehold uses including a swim school, childcare centre, medical centre and allied health uses. This is based on the premise that SAGS does not currently represent the highest and best use of the site and that SAGS has an opportunity to be redesigned and redeveloped for the benefit of HCWA.
- The school is making real progress in delivering the best possible curriculum, pastoral care, recreation and assessment and enrolments have increased in recent years to 520 in January 2021. The future should see enhanced offerings of related services in afterschool care, primary health care, cultural activities, sport and passive recreation and an increase in numbers to approximately 600-700 students with a dual stream primary school to lift the profitability of the school.
- To the extent that many non-government schools have made big advances in these areas, the first aim for a school such as SAGS is to offer comparable programs as a means of holding onto and growing existing enrolments.
- The Master Plan also aims to position the HCWA for changes to aged care registration requirements that are expected to come out of the recent Royal Commission into this sector which are likely to increase care, increase costs and enhance existing facilities.
- The Master Plan provides an opportunity for an expansion of the existing HCAC operations to include Independent living, palliative care and / or transition care facilities. This is proposed to complement the existing facility in the face of competition from other providers which offer this broad range of services.
- Current market intelligence from Blokk Property Australia indicates that the need for additional childcare services in the area is high, particularly by the national childcare operators. However, there is a risk that this demand will be reduced if other sites in the catchment are developed first. Accordingly, there may be significant benefit to HCWA in progressing a development application for a childcare centre in the short term, prior to or, in parallel with, the master planning / Local Development Plan (LDP) processes. HCWA has an option to progress a Development Application (DA) for this first.
- There are a range of funding options available to HCWA to pursue to overcome the low cash reserves of HCWA. These include a traditional mortgage, a Hellenic Debt Instrument issue and a Hellenic Trust controlled and managed Property Trust securitization issue. There are also alternative direct modes of funding available via ground leases, building leases and fundraising.
- A program for funding and development has been proposed that incorporates a professional evaluation to report the commercial sale price of the HCAC, selling the license held by HCBA and leasing the HCAC premises at a commercial rental, utilizing the capital raised to fund the

implementation of the master plan, including additional buildings on SAGS and the acquisition of Lot 9004, development of a long child care centre and subsequent development of further lots. The main financial outcome for the HCWA is to become a long-term lessor and derive ongoing rental revenues with a new large capital base derived from the sale of the HCBA.

- Lots 100 – 102, owned by the HCWA, are zoned 'Private Institution' and Lot 9004, currently owned by the State Housing Commission, is zoned 'Residential R20' under the City of Stirling Planning Scheme No. 3.
- A preliminary review of the relevant planning framework concludes that the proposed land uses set out within the Master Plan are capable of approval on the part of the site located within the 'Private Institution' zone.
- Lot 9004 has limited use for educational purposes as part of the Master Plan unless it is rezoned.
- It is likely that the City will require a LDP prior to development of the site. Applications for development and/or subdivision (including long term leases) approval can follow the approval of an LDP.
- It may be possible to progress a discrete, separate Development Application (DA) for the childcare centre in advance of the preparation and lodgement of the LDP. This will necessitate the preparation of detailed application plans for the development along with supporting specialist reports.
- Engagement with the City of Stirling and the WAPC will be needed to obtain 'in principle' support to progress the LDP. We recommend pre-lodgement engagement with the City and WAPC early in the process.
- A carefully considered engagement strategy is recommended by element to secure positive buy in from the existing and future SAGS community and the HCWA prior to releasing further information about the proposed Master Plan.
- The ability to include Lot 9004 in the LDP is subject to the City and WAPC agreeing to this approach and agreeing to progress a Basic Scheme Amendment subsequent to the LDP. This needs to be discussed with the City and WAPC as part of early engagement.
- More detailed design development having regard to the development requirements will be required to ensure the spatial planning/allocation for all uses is sufficient in the LDP.
- It will be necessary to demonstrate and justify as part of the LDP process that the area provided for the school in the Master Plan is sufficient to cater for the continued growth of the K-12 program and to accommodate future school growth. In this regard the Draft Operational Policy 2.4 Planning for School Sites published by the WAPC in August 2020 provides a size guide of 10-12ha for a non-government K-12 school . The proposed land area for the St Andrew's school is less than this benchmark, however it is noted that more recent schools such as the Bob Hawke College is on a 2ha site (excluding the oval), and multi-level schools are becoming more acceptable. A specialist school's adviser will still be needed to assist in justifying the appropriateness of the proposed school site.



- An LDP is a public process which will be advertised. It will be essential for the SAGS community and the neighbours to be informed of the proposal prior to lodgement of the LDP and we'd recommend a targeted, early engagement process with the SAGS, HCWA and local resident communities prior to formally lodging any application for an LDP with the City.
- The Master Plan must reflect a way forward to establishing or refurbishing the kind of school and aged care that the HCWA wants. The HCWA will need to be clear in their vision of their facilities into the future, and whether they need a co-venture partner to deliver this.

## 2.0 Site

The site comprises four land parcels of land totaling 10.9704 hectares in area, bound by Alexander Drive to the east, Hellenic Drive to the south, Boddington Circuit to the west and the Reid Highway to the north. The site is formally described as Lots 100-102 (2, 2A & 2B) Hellenic Drive, and Lot 9004 (2) Boddington Circuit, Dianella (the site). The HCWA is the landowner of the site.

*Refer to Figure 2 – Aerial Plan*

Lot 9004 (2) Boddington Circuit, Dianella, which is located at the corner of Boddington Circuit and Hellenic Drive, is identified for possible inclusion in the Master Plan development area. It is owned by the State Housing Commission. If Lot 9004 is to be acquired for inclusion within the development area it will likely necessitate rezoning to allow for educational uses given the current residential zoning of the land. This is discussed in further detail at Sections 6 and 7.1.

There are several encumbrances registered on the Titles for Lots 100 -102 for mortgages and easements (rights of carriageway and drainage). The easements will need to be considered as part of any redevelopment of the site.

The potential development of Lots 100 and 102 was previously restricted by Caveats by the Housing Authority. However these have since been removed from the titles as a result of work undertaken by Dr Berbatis. This removes this constraint to the development of these lots and widens the development options for the HCWA.

Figure 2 – Aerial Plan



## 3.0 Funding Options

### 3.1 Historical Funding Approach

The HCWA presently has limited sources of revenue and relatively low cash reserves.

Historically however there are many methods that the HCWA has established over 100 years in order to produce substantial cash reserves and to fund large projects. These include large donations from benefactors, grants and loans from federal and state government agencies, and donations from members.

During the 1920s the original Parker Street land was donated, while the construction of the original church and hall at 20 Parker St and the subsequent development of the church of Saints Constantine and Helene in 1937 were derived from donations by members and associations. In 1952 the lot known as the 'bishop's rectory' or Tower House at 115 Francis Street on the southern corner of Parker and Francis Streets Northbridge was acquired, as were two other properties on Parker Street in 1955 and 1967 respectively, and eventually re-developed based on funding from traditional sources namely members' donations, government grants and bank and government loans.

During the 1960s under the leadership of the HCWA president Mr Arthur Litis a prominent property entrepreneur, a 'Buying and Selling Subcommittee' was formed, which included successful business people including the late Mr Stavros E. Kakulas and Mr Theodore J. Kannis. Through buying and selling of properties on the eastern edge of the Perth Metropolitan area it had accumulated sufficient capital to enable the HCWA to develop the Hellenic Community Centre in Parker Street in 1968. This replaced the original community hall which had been an active community assembly location for youth activities and social functions for the Greek-Australian community served by the HCWA.

It is also important to note that by 1958 another newly formed Greek community body – the Greek Orthodox Community of Western Australia - had acquired a lot with a large Anglican church on the corner of Charles and Loftus Streets, West Perth, which has been subsequently re-developed and displays elaborate icons.

All the above acquisitions and developments that required substantial capital were based upon a variety of sources of funding. A combination of approaches can be utilised to fund the Master Plan proposal.

The following section provides a contemporary summary of practical funding sources in order to significantly increase the sources of revenue and build the relatively low cash reserves of the HCWA.

## 3.2 Primary Modes of Proposed Funding for the Master Plan

The following modes of funding offer a range of pathways for the HCWA to pursue to overcome the chronic low levels of cash reserves.

1. Traditional Mortgage;
2. Hellenic Debt Instrument issue (used also in mid/late 1960s to fund the build of the Leski premises at 75 Stirling Street Perth); and
3. Hellenic Trustee controlled and managed Property Trust securitisation issue.

### 3.2.1 Traditional Mortgage

The rents produced by the summarised developments in Table 1 (refer to Section 5.3) would enable mortgage funding from one of the prime four banks with a debt to asset ratio of less than 40%. Terms on a 10-20 year facility would be non-recourse to HCWA Trustees and security limited to the subject titles. A cost of funds could be expected reflecting prevailing interest rates at 2% or less. Rental cash flows would be tax protected by either property write off allowances / depreciation and/or HCWA DGR tax free status. This would facilitate principal and interest 10-20 year repayment terms within the rent returns demonstrated in Table 1.

### 3.2.2 Debt Instrument

The HCWA could issue a debenture note or similar bond instrument to raise the required development funding on 10-20 year terms through a respected facilitator. Repayment obligations would be interest only with non-redeemable terms except by HCWA as the issuer.

Contemporaneously the HCWA would establish a sinking fund to meet repayment obligations at the end of the debt instrument term. This fund raising could be kept within the HCWA and associated diaspora providing attractive and secure interest returns to the community.

### 3.2.3 Property Trust Securitisation

Property Trust structures enable innovative mechanisms that would eliminate a debt burden on HCWA by raising capital through the sale of trust shares for the completed titles to meet development costs with buy back / sunset terms. Sale value would be struck at the As Complete Value. The establishment of a Hellenic Community Property Trust (HCPT) would be facilitated and funds raised by a respected AFSL license holder and see HCPT management rights retained by the HCWA.

Investors could be preferenced from the HCWA diaspora and enjoy typical returns associated with property trusts. Buy back terms would be at the prevailing market value of the subject property at the sunset buy back date. Buy back funds would be accumulated by HCWA by use of a sinking fund over the life of the HCPT.

This structure enables debt free funding by sharing income and capital gains (or losses) with HCPT investors. It does come with structural and entry - exit stamp duty exposures.

### 3.3 Alternative Modes of Funding of the Master Plan

The following section outlines the alternative direct modes of funding of the proposed separate lots proposed for leasing by the HCWA in the Masterplan (Link, December 2020: <https://www.hcwa.org/en/news-and-events/521-a-masterplan-for-a-financial-future-of-the-hellenic-community-of-wa>).

#### 3.3.1 Ground and Building Lease development

Table 1 summarises the two major forms of proposed development, namely Ground lease and Building lease. Table 1 sets out the forms of development proposed for each of the six the lots in the Masterplan diagram along with the estimated development cost at January 2021 and the expected annual revenue corresponding to each the two development options.

**Table 1 – Revenue Generating Opportunities for HCWA**

Proposed Use / Development	Estimated Development Cost <sup>6</sup>	OPTION 1 Expected Annual Revenue from <u>Ground Lease</u> (per annum)	OPTION 2 Expected Annual Revenue from <u>Building Lease</u> (per annum)
Medical Centre <sup>1</sup>	\$6.4M Warm Shell Fit out \$4.2M Cold Shell	\$66,598pa	\$880,000pa (Warm Shell fit out)
Childcare <sup>2</sup>	\$2.6M	\$67,570pa	\$252,000 (based on 90 places)
Swim Centre	\$2.2M	\$18,270pa	\$140,000pa
HCAC <sup>3</sup>	N/A	N/A	\$180,000pa
Transitional Care / Hospice <sup>4</sup>	\$3.7M (based on a 1,260sqm facility)	\$199,520pa	\$441,000pa based on a 1260 sqm facility
SAGS <sup>5</sup>		\$160,000pa	

**Notes to Table 1:**

1. The estimated medical centre rental estimates is based on rentals obtained for other medical centres, as advised by Leasing Agents.
2. The estimated childcare rental has been determined based on a \$2,800 per child ratio as advised by an existing childcare operator.
3. The HCAC rental is based on the Apollo Care proposal dated 28 July 2020 and is based on figures supplied to Apollo Care from HCAC.
4. The Future Aged Care site has a total site area of 13,760m<sup>2</sup>. Accordingly, it is anticipated that it will be developed more extensively than represented by a single 1,260m<sup>2</sup> Transitional Care / Hospice as shown in Table 1. Nonetheless this example provides a useful guide as to the cost of development and potential revenue generating ability of the use on a m<sup>2</sup> basis. Further detailed research is required to determine the multiple uses that would be required on the site to fully utilise the amount of area available.
5. Estimated rental is based on 2% of the total SAGS gross revenue.
6. Construction cost estimates have been provided by a Quantity Surveyor.

Ground lease refers to an arrangement made with a lessee party to pay for the construction of the development and related consultants and costs. Table 1 reflects the estimated costs and lease terms with respect to each type of lessee proposed in the Masterplan.

The table includes major financial input by the lessee party and consequential less financial requirements for the HCWA as the lessor. The main advantages are that development can occur promptly after agreement on terms at relatively little capital expenditure by the HCWA. If time and circumstances allow, complementary funding by the HCWA may be arranged by government grants thus increasing the equity and raising the rental yield to the lessor of the development.

Building lease refers to an arrangement whereby the lessor HCWA co-funds the development with assistance from Federal (Grant) and State government (Loan) assistance which complements the funds able to be generated by the HCWA. Additional forms of grants and benefactors were reported to members in December 2020 are detailed in the following report (Link, February 2021: <https://www.hcwa.org/en/news-and-events/544-improving-the-financial-performance-of-the-hcwa-experts-urge-fundraising-strategy> ).

Fundraising: The HCWA has limited sources of revenue and low cash reserves. There are however many methods that the HCWA has established over 100 years in order to fund large projects. These include large donations from benefactors, grants and loans from federal and state government agencies, and donations from members which funded the original purchase of the Parker Street properties in the 1920s, the construction of the original hall at 20 Parker St and the subsequent development of the church of Saints Constantine and Helene in 1937. In 1952 the lot known as the ‘bishop’s rectory’ on the southern corner of Parker and Francis Streets Northbridge was acquired and re-developed based on funding from traditional sources, namely members’ donations and government grants and loans, to raise funds from members for capital and ongoing operational requirements of the HCWA and its affiliates.

A report on fundraising sources was produced by a team of expert consultants which was endorsed by the Trustees and submitted to the Hellenic Community of WA (Link, May 2019 : [https://4b87ba3e-b550-4cc2-a5dd-b06916a0c237.filesusr.com/ugd/84858a\\_6d041680ace94bd6871cac9e1010081f.pdf](https://4b87ba3e-b550-4cc2-a5dd-b06916a0c237.filesusr.com/ugd/84858a_6d041680ace94bd6871cac9e1010081f.pdf) ). The report was summarised and publicized to members in an issue of the HCWA e-news in December 2020 (Link, February 2021: <https://www.hcwa.org/en/news-and-events/544-improving-the-financial-performance-of-the-hcwa-experts-urge-fundraising-strategy> )

### 3.4 Program of Funding and Development

The following program is based on assessing the funding alternatives and pursuing the development of each the lots according to the parameters included in Table 1.

No sale of properties has been considered.

1. A professional evaluation be implemented to report the enterprise value of HCAC and referring to the early Amana and 2020 Apollo Care offers.
2. At an acceptable price to sell the license held by HCBA for >\$11m and lease the HCAC premises at a commercial rental of at least \$50,000pm as reported by the valuer.
3. The terms of the lease will depend on negotiations aimed to be completed by August 2021. The terms include representation of HCWA members in the new Aged Care board.

4. The capital released would provide immediate funding for the implementation of the Master Plan program and remove staff and other expenditure presently required to operate the existing HCAC.
5. The total rental yield after completion of the above development totals in excess of estimated \$1.5 million pa excluding rental from the St Andrews School.
6. The St Andrews school will require additional buildings to cope with the classroom and other demands of the growing enrolments being 562 students in March 2021 and projected to exceed 600 students in 2022.
7. Funds will be required to acquire the vacant 960m<sup>2</sup> verge lot on the corner of Hellenic Drive valued at approximately \$240,000 from the government department vendor with whom discussions have occurred.
8. Develop as soon as possible, an extended hours childcare centre to meet the current levels of very high demand from both external and school families, resulting from the high and increased enrolments and evident commercial demand. Given the high demand an expanded facility may be considered. The childcare operator should also operate before and after school care services for SAGS as well as vacation care services.
9. Subsequent development of further lots - according to advices from professional property consultants, element and as per the Master Plan.
10. Engage professional property manager to manage the SAGS and Parker Street assets
11. The main financial outcomes for the HCWA is to become a long-term lessor and derive ongoing rental revenues in line with those in Table 1 and have a new large capital base derived from the sale of the HCBA.



## 4.0 Master Plan

T&Z Architects has prepared a Master Plan for the site that indicates the potential redevelopment of the site in a manner that facilitates diversification of long term revenue generating opportunities for HCWA. It is based on the premise that SAGS does not currently represent the highest and best use of the site and that SAGS has an opportunity to be redesigned and redeveloped for the benefit of HCWA.

A copy of the Master Plan is included at Appendix A.

The Master Plan aims to provide for:

- Efficient compliance with regulatory requirements.
- Appropriate sharing of grounds and facilities between the SAGS, HCAC and the local resident community.
- Optimal land use to enhance service quality and quality of life.
- Efficient land use through the replacement over time of the existing single story, single use buildings that form part of the SAGS, with multi story buildings with multiple uses.

As illustrated in the Master Plan, the site has the potential to accommodate:

- St Andrew's Grammar School (K – 12 and allow for future growth). It is considered that a multi-storey built form is the future for the SAGS as it offers multiple times more space per square metre of building footprint than is available in a single storey school. Multistorey schools are becoming more common in existing built up areas. It will enable the development of significantly more classroom and specialist rooms as will be needed to accommodate the projected future growth in student numbers. The space required will be benchmarked to the projected student numbers. As a guide, classrooms are usually between 64sqm and 80sqm in size (depending on the year it is catering for) and have a maximum capacity of 32 students/classroom. For specialist areas such as science labs, food technology areas and art studios the allowance increases to 3sqm/student resulting in room sizes of approximately 100sqm in size for 32 students.
- Nursing Home - The existing 98 bed nursing home facility (HCAC) catering for both mid to high level aged care to be retained. It is anticipated that some upgrades may be necessitated in the future depending on the outcomes of the Royal Commission into the Aged Care Sector.
- Swim School - Research and discussions with swim centre operators indicate a need for a private swim school in the area. The opportunity exists for the school to come to an arrangement to use the pool facilities during school hours, thus increasing the range of facilities on offer to the students. The proposal is likely to provide for a ground lease for the development of a 450sqm swim centre.

- Childcare Centre – Demand for Childcare services continues to grow. The school provides an excellent base for a childcare provider to offer the full range of before/after and daytime childcare services to school families and the surrounding population. Current market intelligence from Blokk Property Australia indicates that the need for additional childcare services in the area is high, particularly by the national childcare operators. However, there is a risk that this demand will be reduced if other sites in the catchment are developed first. Progressing a DA for a childcare centre in the short term is an option that HCWA should consider to capitalise on this market opportunity.
- Medical Centre – The corner location of Alexander Drive & Hellenic Drive provides an ideal high exposure location for a medical centre. Health developers have expressed an initial interest in this site due to its close proximity to both the existing HCAC facility and the surrounding aging residential population. The proposed two storey 2,200sqm facility could provide medical and allied health services to both the adjoining aged care/school facilities along with the surrounding local resident community. Signage opportunities on the proposed building may also be able to be used to generate additional income for the HCWA.
- Allied Health uses - The area adjoining the current HCAC facility has been earmarked for the expansion and development of uses associated with the aged care industry. It is anticipated that this area would eventually develop into additional accommodation for the aged care sector and may provide for respite care, transitional care and/or independent living units amongst other compatible uses.

Under the proposed Master Plan, all land occupied by the SAGS and the HCAC will remain in HCWA ownership. The Master Plan is designed to deliver a long-term plan and to avoid piecemeal, project by project, development, which risks delivering an inferior outcome.

## 5.0 Development Strategy

### 5.1 St Andrews Grammar School (SAGS)

SAGS has made real progress since 2018 in increasing enrolments, delivering the best possible curriculum, pastoral care, recreation and assessment (refer to the SAGS 6-Year Strategic Plan from 2019 to 2025 which can be found here:

<https://www.sag.wa.edu.au/wp-content/uploads/2020/04/SAG-Strategic-Plan-FINAL-LR.pdf>).

The future of SAGS should see enhanced offerings of related services in after school care, primary health care, cultural activities, sport and passive recreation. Many such services would be most likely to succeed if they aim to serve the local resident community, as well as SAGS and HCAC. The Master Plan aims to facilitate this.

To the extent that many non-government schools have made big advances in these areas, the first aim for a school such as SAGS is to offer novel as well as comparable programs as a means of holding onto existing enrolments. A Master Plan provides an implementation tool that should provide for sequential initiatives that address the quality of education as the first priority, followed then by targeted enrolment.

### 5.2 Child Care

Many government schools are now operating full scale childcare centres alongside their pre-school school and kindergarten services. Examples of this include the Mulberry Tree Kids Club, which operates at Lake Monger Primary and which offers before school care from 7am to 9am and after school care from 3pm to 6pm, as well as offering vacation care from 7am to 6pm during school holidays. This service augments kindergarten operations at both government and private schools.

Kids Club services such as this offer a pickup and drop off service to local private and government schools. Newman College is in this group, as the service feeds clients into their primary school program. It is considered to be critical that SAGS incorporates services such as this to maximise enrollment opportunities at the school.

The proposed footprint of the childcare centre should allow contiguous connection between the pre school, primary and childcare activities to enhance management and access.

### 5.3 Aged Care

The Master Plan aims to position the HCWA for changes to registration requirements for aged care that are expected to come out of the recent Royal Commission into this sector. It is expected that future requirements will include staff/patient ratios that will increase costs as they increase care. Qualifications for registration by staff members will also likely be more demanding, with commensurate wage escalation. Requirements to refurbish, expand and enhance existing built infrastructure are also likely.

The Master Plan provides for an expansion of the existing HCAC operations to include independent living, palliative care and / or transition care facilities. These would all have the effect of offering comparable opportunities to those in most aged care projects that have been delivered in recent years. It may be that the current facility will struggle to remain viable without such changes. We note that given the limitations of land area, independent living facilities could only be contemplated in a multi-story design.

Many non-government schools bring in outside bodies to deliver services beyond the core curriculum. In such cases the partner/operator occupies facilities under contract or lease and carries on business subject to a Service Level Agreement with the owner. Such arrangements are applied across Perth, and interstate, to childcare and afterschool care, to primary health, food services, cultural and sporting opportunities. Staff for these activities are generally contracted to the service provider. Similar opportunities arise in aged care.

## 5.4 Swim School

The proposed swimming pool facility must be both accessible by SAGS but also able to be independently operated, accessed and managed out of school hours. How this is designed and managed will be subject to further detailed design.

## 6.0 Key Planning Controls

The site is zoned 'Urban' under the MRS and Alexander Drive is reserved as an 'Other Regional Road' whilst Reid Highway is a 'Primary Regional Road' providing access restrictions.

Lots 100 – 102 are zoned 'Private Institution' and Lot 9004 is zoned 'Residential R20' under the City of Stirling Planning Scheme No. 3.

*Refer to Figure 3 – Stirling Planning Scheme No.3 Zoning Extract*

In the 'Private Institution' Zone 'P' (permitted) uses include:

- Recreation-Private
- Retirement Complex.

In the 'Private Institution' Zone 'D' (discretionary) uses include:

- Aged or Dependent Persons Dwelling
- Childcare Premises
- Community Purposes
- Consulting Rooms
- Educational Establishment
- Medical Centre
- Nursing Home
- Office.

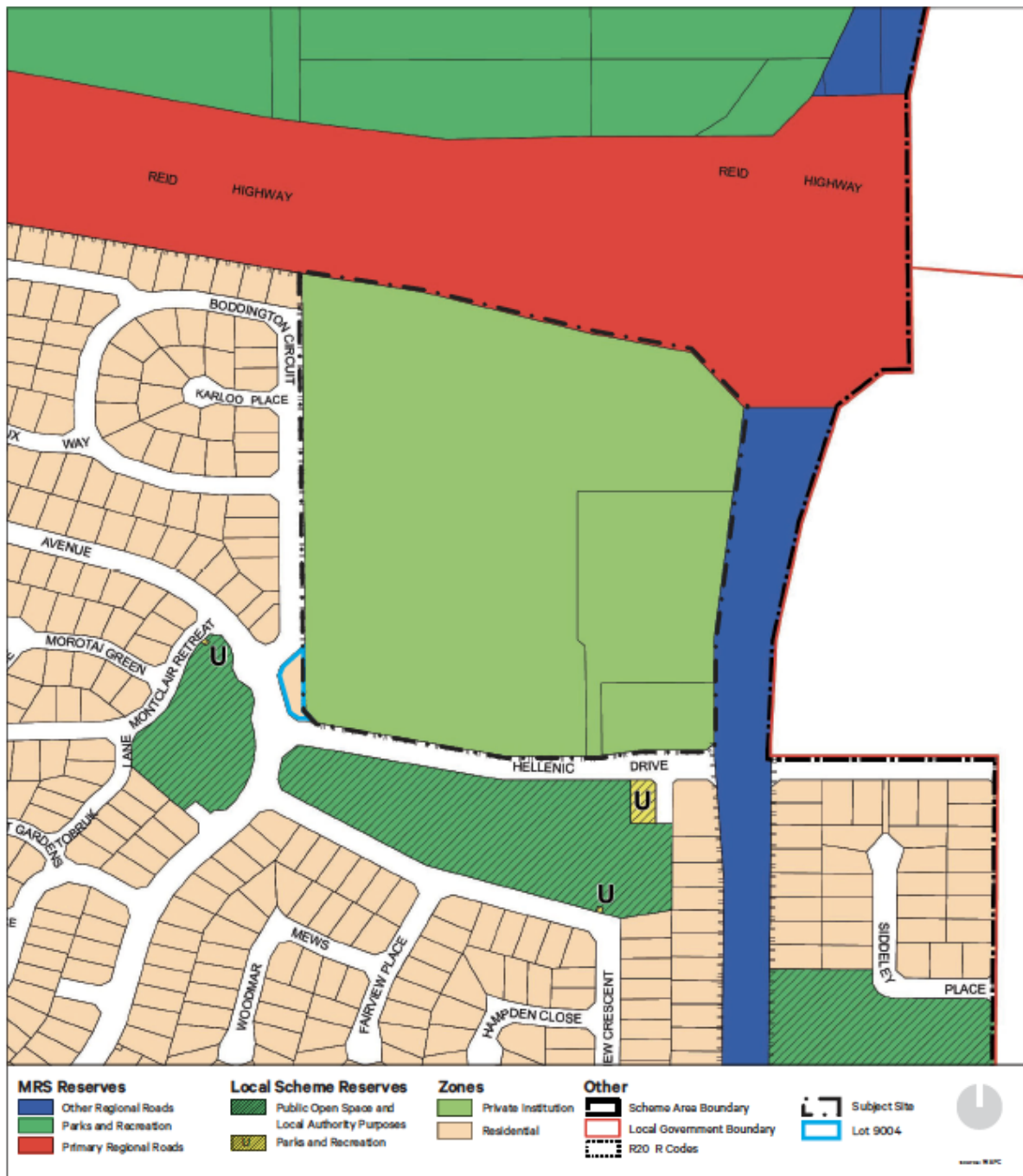
According to the uses contemplated for the part of the site included in the 'Private Institution' zone are either 'P' or 'D' uses.

An 'Educational Establishment' is not permitted in the Residential Zone. As highlighted above a rezoning will be needed to facilitate the use of this lot as part of St Andrew's School.

The City of Stirling's Local Planning Policy 4.5 Private Institution Design Guidelines (LPP4.5) provides a series of acceptable development provisions in relation to Land Use, Built Form, Streetscape Relationship, Access and Parking and other matters such as sustainability. These will need to be considered in the design of any development proposed for the site.

There are a number of other Local Planning Policies that will need to be considered relating to the childcare design, landscaping, car parking, bicycle parking, bin storage, tree protection and the provision of public art.

Figure 3 - Stirling Planning Scheme No.3 Zoning Extract



## 7.0 Planning Strategy

### 7.1 Local Development Plan

A Local Development Plan (LDP) will be required to provide a framework to guide and coordinate built form outcomes. The agreement of the Western Australian Planning Commission (WAPC) is required to progress an LDP.

An LDP broadly addresses matters relating to the location of built form, distribution of height, land use, traffic, car parking/access and open space areas. It will enable the HCWA to obtain certainty of future land right use and development potential as quickly as possible and prior to detailed development plans being prepared.

The preparation of an LDP will involve:

- o Architect
- o Strategic Advisory Consultant Specialising in Schools
- o Bushfire Consultant
- o Traffic Consultant
- o Acoustic Consultant
- o Servicing Consultant
- o Community Engagement Consultant

The preparation of the LDP will require liaison with the City of Stirling and the Department of Planning, Lands and Heritage. We recommend early engagement with these authorities to gain in principle support for the proposal early in the process.

It may be possible to investigate proposing the use such as the Educational Establishment on Lot 9004 and gaining approval of the City for this to be shown on the LDP. It is then possible (if the City and the WAPC agree) for a Basic Scheme Amendment to be undertaken to rezone the property to 'Private Institution'. This would be the quickest process for this rezoning to occur.

The cost of preparing an LDP depends on the scope of the LDP. To prepare, lodge and manage the LDP to approval we estimate total consultant fees in the range of \$150,000 to \$250,000 depending on the level of complexity and degree of local community / Council support. Application fees are in addition to these amounts.

An LDP once lodged with the City is expected to take six to nine months to be determined. If the LDP is refused there is a right of review to the State Administrative Tribunal.

## 7.2 Child Care Approval

As indicated earlier in this report, there may be significant benefit to HCWA in progressing a development application for a childcare centre in the short term, prior to or, in parallel with, the master planning / LDP processes. This would necessitate a discrete, separate DA for the childcare centre to be lodged in advance of the lodgement of the LDP. This will necessitate the preparation of detailed application plans for the development along with supporting specialist reports.

Any discrete DA for a childcare centre will also need to be supported by a comparable range of specialist input and reporting.

The cost of preparing a discrete, separate DA for a childcare centre is estimated to involve total consultant fees in the range of \$50,000 to \$80,000 plus Council application fees.

## 7.3 Other Matters

Development approvals will be required for most components of development on the site subsequent to the LDP being approved.

To facilitate the development of the individual uses on the subject site an Application for Subdivision to the Western Australian Planning Commission (WAPC) could be lodged to create either new, separate lots, or to provide for long term leases. In this regard the approval of the WAPC is needed for leases (including extensions) that exceed 20 years. The WAPC is unlikely to support any long term lease or subdivision application until the LDP has been approved.



## 8.0 Stakeholder Engagement

We expect a high level of local community interest in the future of the site and, accordingly, we recommend that targeted consultation is carried out early in the preliminary phases on the project.

To ensure a logical involvement and participation of key stakeholders and to assist the planning approval processes an engagement and communications strategy will provide a detailed approach, around key communication methods, timing, responsibilities to ensure the project moves forward:

1. With a clear pathway for all stakeholders,
2. Provides opportunity to identify issues ahead of significant investment and to manage accordingly,
3. De-risks the formal planning process, and
4. By involving stakeholder and community, they are more likely to own the outcomes if informed and consulted.

One of the first tasks in preparing a strategy is to map out all key stakeholders/groups that are either part of any decision-making process or will have an interest in what happens to the development of the site.

The level of interest can vary from low level communication through to wanting to be a part of the site's future. For example, the HCWA Board will be an internal decision maker, SAGS will have a high level of interest in terms of how the school will redevelop to meet its own strategic planning, through to local residential community that will want to be informed should there be any direct impact on them and/or their properties.

As a first step we have identified key stakeholder/groups that need to be factored into any engagement. These include:

**Table 2 – Proposed Engagement Activities**

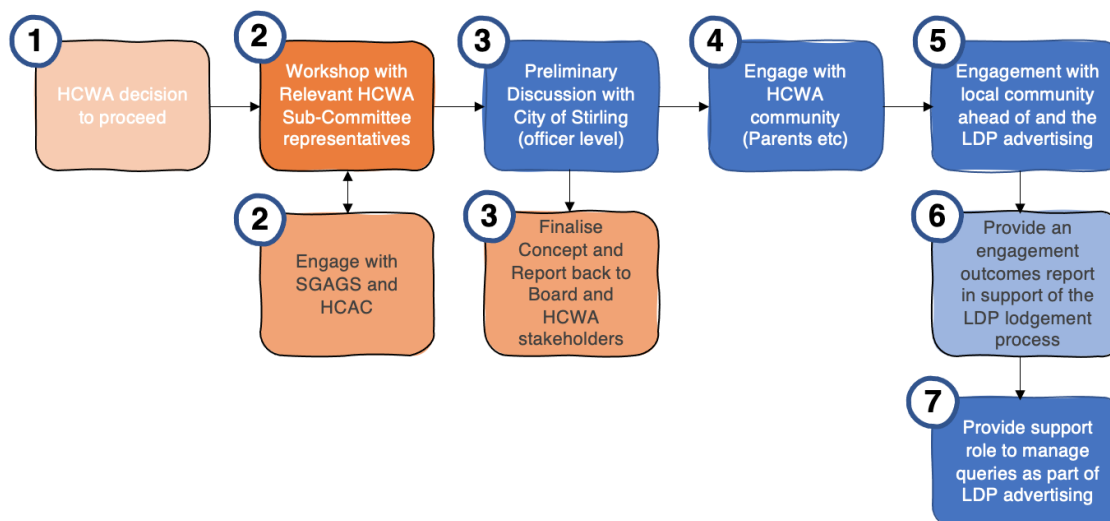
Stakeholder	Type of Engagement	Responsibility
HCWA Trustee	Briefing on process, alignment	Nominated HCWA representative
HCWA Board	Briefing and interactive session, alignment of process and early concepts to be explored	Nominated HCWA representative/element facilitator
HCWA Committees (various)	Workshop with key representatives	Nominated HCWA representative/element facilitator
Hellenic Community Aged Care (HCAC) Centre Manager;	Briefing and stakeholder meeting	Project manager/element
SAGs Board	Briefing and interactive session	Project manager/element

Stakeholder	Type of Engagement	Responsibility
SAGS (Principal, head of Senior and Junior School and Teaching Staff etc.), including the new Principal that is yet to be appointed;	Briefing and stakeholder meeting	Project manager/element
Parents (existing and future);	Communicate via existing channels	SAGS Principal/element
Students (existing and future);	Communicate via existing channels	SAGS Principal/element
City of Stirling officers (Planning, Community and Infrastructure teams);	Stakeholder Meeting	Project manager/element
City of Stirling Councilors;	Nil until formal LDP process commences	Project manager/element
Nearby Residents;	Pre LDP engagement, letter drop, online engagement	element
Proposed new development stakeholders (swim operator, allied health, childcare etc.).	Stakeholder Meetings	Project Manager

## 7.4 Approach

The proposed approach is summarised in the attached diagram and further explained below.

Figure 4 – Proposed Engagement Approach



1. It is understood the Master Plan has now been shared via the Hellenic Community of WA web page. Accordingly, we propose that this plan form the basis for discussion with representatives of the various subcommittees (redevelopment) along with consultant team members to ensure alignment around the primary goals of the Master Plan. This will then be used as a basis for preliminary discussions with officers at the City of Stirling.
2. Engage with the SAGS Board and Principal, along with the HCAC Manager would also be undertaken to get early feedback.
3. Engage with the City of Stirling officers as stated above. This preliminary meeting is critical to assist with gaining assurance from officers that what is being considered as part of the preliminary Master Plan is possible from a planning and approvals process. At this stage the team would also confirm the necessity to prepare a Local Development Plan.
4. Ahead of any formal advertising through the planning process, we would undertake to communicate the Concept Plan with the school community through various channels identified below.
5. The project team would then be responsible for engaging with local residential community, as would be required by the City of Stirling ahead of the lodgement of the LDP. Feedback from this process would assist with refinement of the LDP. Thus minimise concern from community during the public advertising process.
6. The Project team would then progress the planning process (i.e. an LDP).
7. Once the LDP is advertised, element would assist with responding to queries should they arise. We should also consider offering one-on-ones with the residences immediately adjacent the northern portion of the site.
8. Finally, we would ensure that we document any key issues for final consideration by the project team.
9. Once the LDP is finalised we recommend that we 'close the loop' by communicating with all stakeholder on the outcome and next steps.

## 7.5 Communication Channels

There are a number of communication channels that will be utilised to engage with key stakeholders including: HCWA Newsletter, SAGS school newsletters/emails/social media/communications apps/parent portals/events and via direct letter drops and/or advertisements in the Eastern Reporter.

An engagement schedule will be detailed to map out who, how and when all of the aforementioned engagement activities would be managed alongside key project team members.

## 9.0 Planning Opportunities and Risks

- A preliminary review of the relevant planning framework concludes that the proposed land uses set out within the Master Plan are capable of approval on the subject site. More detailed design development having regard to the development requirements will be required to ensure the spatial planning/allocation is sufficient.
- Lot 9004 has limited use as part of the Master Plan unless it is rezoned. The ability to include this land in the LDP is subject to the City and WAPC agreeing to this approach and agreeing to progress a Basic Scheme Amendment subsequent to the LDP.
- It is likely that the City will require an LDP prior to development of the site. Applications for development and/or subdivision approval can follow the approval of an LDP. Notwithstanding, it may be possible to progress a separate, discrete DA for a childcare centre in the short term to seek to capitalise on the current demand for this use in the local area.
- It will be necessary to demonstrate and justify as part of the LDP process that the area provided for the school in the Master Plan is sufficient to cater for the continued growth of the K-12 program and to accommodate future school growth. In this regard the Draft Operational Policy 2.4 Planning for School Sites published by the WAPC in August 2020 provides a size guide of 10-12ha for a non-government K-12 school . The proposed land area for the St Andrew's school is less than this benchmark, however it is noted that more recent schools are multi-level schools on smaller landholdings. This opportunity exists particularly for the older primary school buildings constructed in the early 90's. A specialist school's adviser will still be needed to assist in justifying the appropriateness of the proposed school site.
- An LDP is a public process which will be advertised. It will be essential for the SAGS community and the neighbours to be informed of the proposal prior to lodgement of the LDP and we'd recommend targeted early engagement with the SAGS, HCWA and local community prior to formally lodging an application with the City.