



12.2 **ST KILDA MARINA PROJECT - FINAL SITE VISION AND OBJECTIVES AND OPPORTUNITIES AND CONSTRAINTS PAPER, AND PROJECT PROGRESSION FROM STAGE 2 TO STAGE 3**

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1. PURPOSE

- 1.1 To present the outcomes of Stage 2 community consultation undertaken in May 2018 and seek endorsement for the final Site Vision and Objectives for the St Kilda Marina, and for the Final St Kilda Marina Project Opportunities and Constraints Paper.
- 1.2 To seek endorsement to progress the project works from the Stage 2 gateway (Identifying the Site Vision and Objectives) to Stage 3 (Setting the Parameters) of the project plan.

2. EXECUTIVE SUMMARY

- 2.1 The expiry of the 50 year 'head' lease for St Kilda Marina on 30 April 2019 presents an opportunity for Council to undertake a planning process which seeks to maximise the social, cultural, environmental, financial and economic benefits of the site.
- 2.2 In September 2016, Council resolved to undertake a competitive process to secure a new long-term lease arrangement for St Kilda Marina and a project to deliver this outcome has since been established.
- 2.3 On 7 February 2018 Council approved the Project Approach, associated timeline, supporting budget and probity plan. The Project Approach is now a public document used to communicate the project methodology, including the project stages, activities, deliverables and timeline.
- 2.4 The project is currently delivering Stage 2 of the Project Approach – Identifying the Site Vision and Objectives. The purpose of Stage 2 is to understand the opportunities and constraints for the site and, with this understanding, engage the community and key stakeholders to finalise the Site Vision and Objectives that will guide the development of options for the site and the achievement of various benefits from the site.
- 2.5 A series of detailed investigative works have been undertaken, producing various reports with information about the site and case studies of waterfront developments. These reports form the basis of the Draft Opportunities and Constraints Paper, which provides a summary of the detailed site information to support informed discussion about the future of the site.
- 2.6 A Draft Site Vision and Objectives was developed through a series of workshops with Councillors. Council approved the draft Vision and Objectives to be released for community consultation on 18 April 2018.
- 2.7 A comprehensive community consultation program was undertaken from 30 April to 30 May 2018 to seek feedback on the Draft Site Vision and Objectives and Opportunities and Constraints Paper.



- 2.8 A wide range of feedback and ideas for the site was provided through the community consultation. The feedback from the community indicates strong support for the Draft Vision and Objectives.
- 2.9 The site will continue to have a working marina, as validated by the findings of the *Marina Market Research and Viability Assessment* (February 2018). The scale of the Marina and how it relates to the site was (and is) open for community feedback, and overall participants showed support for the working marina.
- 2.10 Two key themes were identified from the range of ideas and feedback received. These are:
- The need for greater site activation with a clear preference for community access and use over other uses.
 - The future built form should enhance the site's use but protect the view and the natural environment.
- 2.11 Based on these outcomes and feedback from Councillors, the Draft Vision has been amended slightly to better reflect these key themes.
- 2.12 The proposed final Vision is a high-level statement that sets the scene for the detailed objectives, grouped under the five themes of Place Identity, Social and Cultural, Economic, Environment and Financial.
- 2.13 Given the high level of support expressed through the consultation, the draft Objectives remain unchanged, with the exception of a minor revision to an objective under the Place Identity theme to incorporate the idea of a progressively designed marina.
- 2.14 Specific feedback on the Draft Opportunities and Constraints Paper was not provided by the community. However, minor changes have been made to incorporate additional opportunities identified through the consultation; and based on suggestions from Councillors and queries from the public at the Ordinary Council Meeting on 18 April 2018 when the Paper was presented.

3. RECOMMENDATION

That Council:

- 3.1 Endorses the Final Site Vision and Objectives presented in Attachment 5.
- 3.2 Endorses the Final St Kilda Marina Project Opportunities and Constraints Paper presented in Attachment 6.
- 3.3 Endorses the progress of the St Kilda Marina Project from the Stage 2 gateway (Identifying the Site Vision and Objectives) to Stage 3 (Setting the Parameters) of the project plan.

4. KEY POINTS/ISSUES

- 4.1 42 A - E Marine Parade, Elwood has accommodated the St Kilda Marina since 1969. The Marina occupies approximately 8Ha (80,000 m²) of foreshore Crown Land for which Council is appointed as the Committee of Management. Existing uses include marine services (boat storage and launch infrastructure, repairs, fuel for boats and sales), restaurants/cafes, service station and car parking.



- 4.2 The 50 year 'head lease' between Council and Australian Marinas (A'Asia) Pty Ltd (Australian Marinas), began on 18 March 1968 and, through a supplemental agreement to the original lease, expires on 30 April 2019.
- 4.3 In an Ordinary Council Meeting dated 13 September 2016 Council:
- 4.3.1 Approved the selection of a tenant for a long-term lease of the St Kilda Marina to be undertaken through a competitive selection process.
 - 4.3.2 Directed officers to develop a leasing process for the site for approval by Council that includes extensive community engagement in the development of the strategic objectives and leasing principles for the site.
 - 4.3.3 Directed officers to develop principles for the selection of a tenant for the St Kilda Marina for approval by Council that include optimising community benefit and providing an appropriate commercial outcome for the site.
 - 4.3.4 Approved in principle the development of a short-term lease, if required, to provide certainty to current operators at the site to cover any period between the expiry of the lease and the implementation of a new lease arrangement.

Project Approach

- 4.4 The Project Approach and associated timeline approved in a Council Meeting on 7 February 2018 is provided in Attachment 1 for reference.

Stakeholder and Community Engagement and Endorsement by Council

- 4.5 A Community and Stakeholder Engagement Plan developed for the project that considers learnings from previous council projects and the specific objectives for this project was approved in a Council Meeting dated 18 April 2018. Refer to Attachment 2.
- 4.6 The Draft Site Vision and Objectives and Opportunities and Constraints Paper were also approved for release for engagement by the Community and Key stakeholders. Refer to Attachment 3.
- 4.7 The community was consulted during a comprehensive community engagement program running from 30 April 2018 to 30 May 2018 (inclusive). The program asked for specific input into the Draft Site Vision and Objectives and Opportunities and Constraints Paper, as well as asking for some ideas for the St Kilda Marina Site. The program of engagement included:
- 4.7.1 The establishment of a Have Your Say Page for obtaining feedback
 - 4.7.2 Emails to interested parties directing them to Have Your Say
 - 4.7.3 Article in the Port Phillip Leader on 8 May 2018 advising about the project and where to go to contribute
 - 4.7.4 The same article was included in the May edition of CoPP This!
 - 4.7.5 Letterbox distribution advising about the project and where to go to contribute
 - 4.7.6 E-mail distribution by internal departments to their databases advising about the project and where to go to contribute
 - 4.7.7 A video about the St Kilda Marina Project has been created as a resource for the project and to assist with engagement, particularly for interested parties who may not easily be able access the site.



- 4.7.8 Pop Up Engagement Sessions and Open Day as follows:
- a) Sunday 13 May 11am to 1pm at the St Kilda Esplanade Market
 - b) Saturday 19 May 11am to 1pm Elwood Village, Ormond Road
 - c) Saturday 26 May 10am to 3pm at Marina Reserve (including walking tours of the Marina)
- 4.7.9 A community group information session held from 6pm to 7.30pm on 30 May 2018 where community groups were invited to attend and participate
- 4.8 In terms of Government Partners, the key interested organisations, DELWP (Crown Land representatives) and Parks Victoria (manager of the Port Phillip Bay), have or are being engaged as follows:
- 4.8.1 DELWP – regular meetings are held with the key representatives to update DELWP on project progress. The Draft Vision and Objectives, Draft Opportunities and Constraints Paper and Background Reports were provided for information and feedback if desired. The community engagement report with the proposed final Site Vision and Objectives and Opportunities and Constraints Paper will also be distributed to DELWP.
- 4.8.2 Parks Victoria has also been contacted regarding the current stage of the project and progress with engagement. The community engagement report with the proposed final Site Vision and Objectives and Opportunities and Constraints Paper will also be distributed to Parks Victoria.

Results of Community and Key Stakeholder Engagement

- 4.9 Attachment 4 provides the St Kilda Marina Project Stage 2 Engagement Report by Capire (the community engagement consultant working with council officers) which summarises the process and outcomes of engagement, and presents the data from engagement including the ideas generated. In brief, the report indicates:
- 4.10 Overall, there is strong community support for the draft site vision and objectives.
- 4.11 A number of objectives received greater focus through the consultation, indicating that whilst there was agreement with all objectives, these were of significantly more interest or priority than the others. These were:
- 4.11.1 Creating welcoming and accessible spaces to strengthen connection to, through, and within the site (Place Identity objective).
 - 4.11.2 Built form that respects the coastal open space and public views and contributes to the character of the area (Place Identity objective).
 - 4.11.3 Creating opportunities and flexible spaces for active and passive recreation, quiet enjoyment and culture, welcoming people to spend time and build community connections (Social and Cultural Values objective).
 - 4.11.4 Protecting and seeking opportunities to enhance the natural environment (Environment objective).
 - 4.11.5 Creating a dynamic precinct with an effective mix of businesses and experiences, activating the site throughout the day and year (Economic objective).



- 4.12 Key messages for the future of the Marina identified through the ideas and feedback and supported through the priority objectives as noted above are:
 - 4.12.1 The need for greater site activation with a clear preference for community access and use over other uses.
 - 4.12.2 The future built form should enhance the site's use but protect the view and the natural environment.
- 4.13 A high proportion of the ideas shared through the engagement illustrated concepts that would contribute to the delivery of the following objectives:
 - 4.13.1 Creating a destination along the bay trail that complements and strengthens the foreshore and local activity centre
 - 4.13.2 Creating welcoming and accessible spaces to strengthen connection to, through and within the site
 - 4.13.3 Creating opportunities and flexible spaces for active and passive recreation, quiet enjoyment and culture, welcoming people to spend time and build community connections
- 4.14 To a lesser extent, the following objectives also align to many of the ideas shared:
 - 4.14.1 Built form that respects the coastal open space and public views and contributes to the character of the area
 - 4.14.2 Acknowledging history and heritage in design and place experience, including enhancing the existing place identity as a working marina
 - 4.14.3 Drawing people from within and outside Port Phillip with a unique offer on the foreshore for work and play
 - 4.14.4 Creating a dynamic precinct with an effective mix of business and experiences, activating the site throughout the day and year

The Final Site Vision and Objectives

- 4.15 With input from Councillors informed by community feedback, and in acknowledgement of the community providing majority feedback that the objectives capture their views on the future of the St Kilda Marina, it is suggested that little change is required to the objectives. A minor change proposed is the incorporation of a point about a progressively designed marina. Objective 5 under the theme of Place Identity is adapted to read, "5. Showcasing the foreshore and a working marina through innovative design".
- 4.16 It should be noted that the objectives are not presented in an order of priority. However, the feedback from the community showing stronger focus on particular objectives as priorities is useful information that will inform future discussions when considering options for the site.
- 4.17 Minor modifications have been made to the Draft Vision to better capture the community's key messages (noted in item 4.12 above) and to retain a high-level vision statement that complements the detail in the objectives. It is proposed that the Site Vision is modified as per:
 - 4.17.1 **Draft Site Vision:** A special place for current and future generations that is an inviting, diverse foreshore precinct crafted through innovative design and anchored by a working marina



- 4.17.2 **Final Site Vision:** A special place on the foreshore for everyone that welcomes a diversity of sustainable uses anchored by a working marina.
- 4.18 The following interpretation of the Vision seeks to clarify the reasoning behind the words chosen for the Vision and all that it is attempting to capture:
- 4.18.1 “A special place for everyone” – a place that is utilised, admired or remembered for reasons unique or personal to the individual or groups from wide backgrounds having diverse interests visiting the site.
- 4.18.2 “...that welcomes” – a place that is open and inviting, easy to access and move through.
- 4.18.3 “....a diversity of sustainable uses” – a wide range of opportunities and offers that enable passive and active recreation, that are programmed or a consistent part of the marina, and cater to a diversity of activities or desires for the site. “Sustainable” embraces environmental, social, financial and economic resilience or sustainability.
- 4.18.4 “...anchored by a working marina.” – the working marina will remain a key component and feature of the site.
- 4.19 The consultation document with the Draft Site Vision and Objectives (Attachment 2) has been updated to the St Kilda Marina Project Site Vision and Objectives document (Attachment 5) which presents the final version, and explains the process used to establish these key elements that will guide the planning for the St Kilda Marina Site.

The Final Opportunities and Constraints Paper

- 4.20 Specific feedback on the Draft Opportunities and Constraints Paper was not provided by the community. However, minor changes have been made based on recognition of additional opportunities following community engagement; and based on suggestions from Councillors and queries from the public at the Ordinary Council Meeting on 18 April 2018 when the Paper was presented. These include:
- 4.21 From Council Meeting Dated 18 April 2018:
- 4.21.1 Clarifying the heritage value of the site and key elements, and approach to management of heritage significance in Stage 3
- 4.21.2 Clarifying the rating system for vegetation (to avoid lessening value of non-native vegetation), including clarification of approach to Canary Island Date Palms.
- 4.22 From Community Engagement:
- 4.22.1 Highlighting the opportunity to better connect to or leverage from the popular skatepark
- 4.22.2 Include the opportunity for the Marina to continue to be affordable and non-exclusive through a diversity of offers
- 4.23 Refer to Attachment 6 for the Final Opportunities and Constraints Paper.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 Key stakeholders and community members, including the general Port Phillip community and others with a specific interest in the site (including the current lease holder and sub-lease holders) have and will continue to be invited to participate at the key stages of the



project. The Community and Stakeholder Engagement Plan in Attachment 2 proposes the opportunities and methods for engagement.

- 5.2 The community will also be kept informed throughout the project via updates in the CEO Report, the latest project information available on Council's project web page and through updates in *Diversity* magazine.
- 5.3 The Victorian Government is a key stakeholder in this project. Not only is the site crown land but it has regional significance. Council officers meet regularly with Victorian Government representatives from DELWP to discuss project progress and specific issues that arise.
- 5.4 A Government Partners Engagement Plan and reference group is currently being established. The group will include DELWP, Parks Victoria, and other key government stakeholders.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 An interim or short-term lease will be required to cover the period between the expiry of the existing lease and implementation of the new lease arrangement.
- 6.2 Legislation pertaining or potentially pertaining to the site has recently been reviewed by Council officers and Victorian Government with input from legal advisors to broadly understand the constraints and opportunities regarding considerations such as site uses and development, site boundaries, crown land administration, lease durations and Victorian Government approval processes. Key pieces of legislation include but are not limited to the *St Kilda Land Act 1965*, *Crown Land Reserves Act 1978*, *Coastal Management Act 1995*, *Planning and Environment Act 1987*, *Retail Leases Act 2003*. The implications of the legislation will be reviewed in detail as various options for the site are assessed and this will be a determining factor in adopting options for the site.

7. FINANCIAL IMPACT

- 7.1 The project has funding in the order of \$1.075 million allocated over four financial years.
- 7.2 The project budget equating to this amount was approved in the Ordinary Council Meeting dated 7 February 2018.
- 7.3 The forecast cashflow is as follows:

Financial Year	2017/18	2018/2019	2019/2020	2020/2021	Total
TOTAL OPEX	\$360,000	\$460,000	\$180,000	\$75,000	\$1,075,000

- 7.4 There may be an opportunity to enhance financial returns from the site, although this will be determined by the extent to which Council wishes to achieve non-financial benefits.

8. ENVIRONMENTAL IMPACT

- 8.1 The Site Vision and Objectives identify environmental sustainability, design sensitivity and resilience outcomes to be achieved that protect and enhance the value of and environmental contribution of the natural foreshore and built environment.



- 8.2 As part of the strategic planning process for the site (Stages 2 and 3 of the Project Approach), the environmental attributes and sensitivities will be identified and factored into the options determination and iterative analysis process. Given the size and position of the site, important considerations include climate change and storm surge, flood mitigation, biodiversity, and general coastal hazard and vulnerability and associated management planning.

9. COMMUNITY IMPACT

- 9.1 St Kilda Marina is a key foreshore site valued by not only the Port Phillip community but also the wider community, particularly boat owners and marine and foreshore enthusiasts.
- 9.2 Council recognises a new lease arrangement for St Kilda Marina as an opportunity to improve the social and cultural contribution of the site to the municipality and derive improved economic benefits. These aspirations are reflected in the Draft Site Objectives, specifically through the place identity, social and cultural and economic objectives.

SOCIAL AND CULTURAL IMPACT

- 9.3 The site vision and objectives identify broad social and cultural benefits that the project will seek to achieve for St Kilda Marina to provide improved benefits for the broader community.
- 9.4 As part of the strategic planning process for the site (Stages 2 and 3 of the Project Approach), opportunities boosting the cultural and social contribution of the site, including an increase in community access and other social and cultural amenities and features, will be identified and factored into the options determination and iterative analysis process.
- 9.5 Key stakeholders and community members, including the general Port Phillip community and others with a specific interest in the site (including the current lease holder and sub-lease holders), will be invited to participate at the key stages of the project.

ECONOMIC IMPACT

- 9.6 The project is putting in place measures to accommodate the current tenants (head tenant and sub-tenants) to cover the time period between the implementation of the new lease arrangement and existing lease expiry and alleviate the associated uncertainty.
- 9.7 The site vision and objectives identify broad economic benefits for the municipality and region that aim to exceed the existing benefits.
- 9.8 As part of the strategic planning process for the site (Stages 2 and 3 of the Project Approach), the economic opportunities will be assessed and the options determination and iterative analysis process will balance these against social, cultural, environmental and financial benefits.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 This report contains information that aligns with Strategic Direction 4, "We are growing and keeping our character". It supports the delivery of the specifically identified Council



Plan key outcome, “a city of diverse and distinctive neighbourhoods and places”. The St Kilda Marina Lease is a specific priority in the Council Plan.

- 10.2 It also aligns with Strategic Directions 3 (We have smart solutions for a sustainable future) and 6 (Our commitment to you) by supporting delivery of the following outcomes:
- 10.2.1 A financially sustainable, high-performing and well-governed organisation that puts the community first.
 - 10.2.2 A city that is adapting and resilient to client change
 - 10.2.3 A water sensitive city
- 10.3 St Kilda Marina is a key strategic site within Council's property portfolio and presents a significant opportunity in terms of social, environmental, economic and cultural possibilities for the St Kilda foreshore, the municipality and the State.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

- 11.1.1 Early July 2018 – Community Panel Selection
- 11.1.2 July 2018 – Detailed Stage 3 Planning with Consultants and preparing initial options
- 11.1.3 Early August 2018 – Councillor workshop to review high level options for the site in preparation for community panel sessions
- 11.1.4 August to Early November – Community Panel and working group options assessment process.
- 11.1.5 September 2018 – Briefing with Council to provide an update on options assessment.
- 11.1.6 November 2018 – Councillor workshop to review shortlisted and recommended options for the St Kilda Marina site.

11.2 COMMUNICATION

- 11.2.1 Council will keep the community informed throughout the project through Council's [project web page \(http://www.portphillip.vic.gov.au/st-kilda-marina.htm\)](http://www.portphillip.vic.gov.au/st-kilda-marina.htm), project update emails to the database of interested community members, articles in Divercity magazine and the CEO report.
- 11.2.2 Council encourages all community members and stakeholders with an interest in the project to subscribe for email updates via [Council's project web page \(http://www.portphillip.vic.gov.au/st-kilda-marina.htm\)](http://www.portphillip.vic.gov.au/st-kilda-marina.htm). Email updates will be provided to Council's database of interested community members at key project milestones.



11.2.3 A Community Panel is currently being recruited to assist Council in assessing options for the St Kilda Marina site during Stage 3 of the project. Stage 3 is about setting the parameters for the site that form the framework for procuring a new lease arrangement for the site.

11.2.4 Opportunities will be created for broader community engagement to occur in Stage 3 to complement the work of the Community Panel.

12. OFFICER DIRECT OR INDIRECT INTEREST

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

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ATTACHMENTS

1. St Kilda Marina Project Approach June 2016
2. St Kilda Marina Project Community & Stakeholder Engagement Plan
3. St Kilda Marina Project Consultation Document Draft Site Vision & Objectives
4. St Kilda Marina Project Stage 2 Community Engagement Report
5. St Kilda Marina Project Final Site Vision & Objectives
6. St Kilda Marina Project Final Opportunities & Constraints Paper