

13 August 2018

At 5.00 pm

Council - Volume 2 - Item 10



Council

Sydney 2030 Green Global Connected

Agenda

1. **Confirmation of Minutes**
2. **Disclosures of Interest**
3. **Minutes by the Lord Mayor**
4. **Memoranda by the Chief Executive Officer**
5. **Matters for Tabling**
6. **Report of the Corporate, Finance, Properties and Tenders Committee**
 - 6.1 Disclosures of Interest
 - 6.2 2017/18 Quarter 4 Review – Delivery Program 2017–2021
 - 6.3 Investments Held as at 30 June 2018
 - 6.4 Policy - Adoption - Draft Naming Policy 2017
 - 6.5 Naming Proposal - Post Exhibition - Plaza Bounded by Kent, Sussex and Napoleon Streets
 - 6.6 Proposed Land Classification of Six Lots - Lachlan and Ashmore Precincts
 - 6.7 Cancellation of Tender - Drying Green Park, Green Square Town Centre
 - 6.8 Land Classification - 6-8 Huntley Street, Alexandria
 - 6.9 Ausgrid's Proposed Acquisition by Agreement for Easement over Community Title Lot 1 DP270785, 67A Bourke Road, Alexandria (Part) for Underground Electrical Cables and Other Purposes
 - 6.10 Exemption from Tender and Request for Extension - Supply and Installation of Hoardings for Stockton House, Fig and Wattle Streets Depot and The Bulk Store at Bay Street Depot
 - 6.11 Exemption From Tender and Request For Extension - Supply and Maintenance of Street Furniture
 - 6.12 Exemption from Tender - Operation of the Leachate Treatment

Agenda

Plant

- 6.13 Tender - Mattress Collection and Processing Services
- 6.14 Contract Extension - Parks and Open Space Maintenance
- 6.15 Tender - Reject and Negotiate - Electronic Planning Solution (ePlanning)
- 6.16 Contract Variation - Child Care Management Agreement - Children's Services Community Management
- 6.17 Contract Variation - Sydney New Year's Eve Crowd and Transport Management Services

Economic Development and Business Sub-Committee

- 6.18 Knowledge Exchange Sponsorship - Smart Cities Week
- 6.19 Knowledge Exchange Sponsorship - StartCon and Cicada Innovations
- 6.20 Knowledge Exchange Sponsorship - The Virangana Project
- 6.21 Knowledge Exchange Sponsorship - 2018 Sydney China Business Forum

7. Report of the Environment Committee

- 7.1 Disclosures of Interest
- 7.2 Adoption - Sector Sustainability Plans
- 7.3 Membership - Cooperative Research Centre for Water Sensitive Cities
- 7.4 Accelerated Replacement of Street Lights with LED Fittings

8. Report of the Cultural and Community Committee

- 8.1 Disclosures of Interest

Cultural and Creative Sub-Committee

- 8.2 Sydney Chinese New Year Festival - 2019 and 2020 Charity Partner

Agenda

Healthy Communities Sub-Committee

- 8.3 Policy - Adoption - International Education Action Plan
- 8.4 Public Exhibition - A City for All - Draft Community Safety Action Plan 2018-2023
- 8.5 Ad Hoc Community Services Grant Program - The Bower Reuse and Repair Centre Co-Operative Limited
- 8.6 Accommodation Grant Program – Annual Performance Review and Lease Renewals 2018
- 8.7 Sponsorship - Invictus Games 2018

9. Report of the Transport, Heritage and Planning Committee

- 9.1 Disclosures of Interest
- 9.2 Traffic Treatment - Permanent Road Closure - Barlow Street, Sydney
- 9.3 Traffic Treatment - Permanent Road Closure - Central Street, Sydney
- 9.4 Traffic Treatment - Permanent Road Closure - Park Road, Alexandria
- 9.5 Traffic Treatment - No Right Turn Restriction - Brocks Lane, Wilson Street and Burren Street, Newtown
- 9.6 Policy - Post Exhibition - Energy and Waste Amendment 2018 - Sydney Development Control Plan 2012 and Green Square Town Centre Development Control Plan 2012
- 9.7 Public Exhibition – Planning Proposal – Modern Heritage Items – Sydney Local Environmental Plan 2012 Amendment

10. Alexandria Park Community School and Inner Sydney High School - Heads of Agreement with the Department of Education for Joint Use Facilities

11. Report on International Travel - Hong Kong, Chengdu, Chongqing, Tokyo and Nagoya

Agenda

12. Questions on Notice

13. Supplementary Answers to Previous Questions

14. Notices of Motion

14.1 Minutes of Council Meetings and Committees

14.2 Oxford Street Tree Lighting

14.3 Shared Zones in Chippendale

14.4 State Environmental Planning Policy

14.5 NSW Drought Crisis

14.6 Homelessness Crisis

14.7 LGNSW Rules Amendments

14.8 NSW Government Grant to Greyhound Racing NSW

14.9 Upgrade to Fitzroy Gardens, Potts Point

14.10 Wear It Purple Day

14.11 Smoke-Free Zone Expansion to Sydney Square

14.12 Cloud Arch Public Artwork – Safety, Cost and Transparency

14.13 City of Sydney Council Mobile Community Garden Watering Service

14.14 Air Quality Monitoring in the City of Sydney Local Government Area

Item 10

Alexandria Park Community School and Inner Sydney High School - Heads of Agreement with the Department of Education for Joint Use Facilities

File No: X005803

Summary

The Department of Education (the Department) is soon to commence the rebuilding and upgrade of the Alexandria Park Community School, Power Avenue, Alexandria, and the Inner Sydney High School, Cleveland Street, Surry Hills. The redevelopment will significantly increase student capacity, from 400 to 2,200 students, and from 400 to 1,200 students respectively.

The new school campuses will contain assets such as communal halls, indoor and outdoor sports courts and fields, and associated amenities. The rebuilding of these campuses provides a unique opportunity to maximise community benefit through the sharing and joint use of school facilities, which is a recommendation of the City's Open Space, Sport and Recreation Needs Study.

Following Council approval in August 2017, the City and the Department entered into a Memorandum of Understanding to explore the potential benefits to both parties of the joint funding and use of school facilities. In addition to facilities associated with Alexandria Park Community School and the Inner Sydney High School, other facilities being considered under the Memorandum of Understanding include those associated with the proposed Green Square Town Centre primary school.

This report proposes that the City enter into Heads of Agreements with the Department for joint use facilities at Alexandria Park Community School and Alexandria Park, and Inner Sydney High School and Prince Alfred Park. The Heads of Agreements set out the parties' understanding for arrangements to be put in place during the construction of the two schools and the future joint use of community facilities.

For the Alexandria Park Community School, the key terms of the proposed Heads of Agreement cover: arrangements for the closure of Park Road and replacement car parking in the adjacent Power Avenue; design requirements for the school's new sportsfield and cost sharing; use of the indoor and outdoor sports facilities and amenities in the school; and asset renewal and maintenance.

For the Inner Sydney High School, the key terms of the proposed Heads of Agreement cover: temporary access by the Department to specified areas of Prince Alfred Park for construction activities and for stormwater and sewer drainage works; long term non-exclusive access to a recreation area in the park for school students; access of shared school facilities by the City and the community; landscaping at the interface of the school with the park; and tree protection conditions.

The Heads of Agreements will be non-binding on the parties. Their purpose is to summarise arrangements resulting from discussions between the City and the Department. It is proposed that following the City and the Department entering into the Heads of Agreement, they will develop and sign binding Project Deeds which reflect the terms of the Heads of Agreements for progressing both joint use projects.

Recommendation

It is resolved that:

- (A) Council approve the key terms of the Heads of Agreement with the NSW Department of Education for the Alexandria Park Community School and Alexandria Park, and for the Inner Sydney High School and Prince Alfred Park, set out in this report;
- (B) Council note that if the key terms contemplated by (A) above are changed, Council's approval will be required for those changes;
- (C) authority be delegated to the Chief Executive Officer to finalise the terms of the Heads of Agreements with the NSW Department of Education based on the key terms contemplated by (A) above, and authorise their execution on behalf of Council;
- (D) authority be delegated to the Chief Executive Officer to finalise the terms of the Project Deeds, licences, leases and any ancillary documents contemplated by the Heads of Agreements with the NSW Department of Education, and authorise their execution on behalf of Council;
- (E) subject to Council approval of the proposed permanent closure of Park Road, Council grant Owner's Consent for the lodgement by the Department of Education of a modification to the State Significant Development application for the Alexandria Park Community School, to extend the site area to include Park Road, so as to accommodate a competition-size sportsfield;
- (F) authority be delegated to the Chief Executive Officer to execute Owner's Consent contemplated by (D) above;
- (G) subject to Council approval of the permanent closure of Park Road, the road be classified as operational land under the Local Government Act 1993 and that Council publicly notify its intention to classify the land as operational land in accordance with the Local Government Act 1993; and
- (H) Council note that it will be provided with regular updates regarding the progress of the re-development of the schools in accordance with the key terms via the CEO Update.

Attachments

- Attachment A.** Memorandum of Understanding with the NSW Department of Education - Joint Use Project
- Attachment B.** Alexandria Park Community School - Sportsfield Business Case Summary (Confidential)
- Attachment C.** Inner Sydney High School - Indicative Fees Offsets (Confidential)

Background

1. Following Council approval on 7 August 2017, the City and the NSW Department of Education (the Department) entered into a Memorandum of Understanding to explore the potential benefits to both parties of the joint funding and use of school facilities. The Memorandum, shown at Attachment A, provides a framework for discussion of joint use project agreements to be developed and brought before Council for consideration. The scope of potential joint use arrangements includes, for example: outdoor sportsfields and courts, indoor recreation and fitness spaces, communal halls and meeting rooms, creative arts spaces and facilities for out-of-school-hours care and holiday programs.
2. The City's collaboration with the Department to formalise joint use agreements takes place in the context of:
 - (a) rapid population growth within the City of Sydney and the City's strategies to efficiently meet community needs, such as those outlined in the Open Space, Sport and Recreation Needs Study (2016), the Social Sustainability Policy (2016) and the Green Square Infrastructure Strategy and Plan (2015);
 - (b) the opportunities for partnerships identified in the City's Sports Facilities Demand Study (2016) to deliver additional sportsfields to meet demand;
 - (c) the Schools Assets Strategic Plan, developed by the Department which proposes joint use of school and community facilities;
 - (d) the current major school redevelopment projects within the City of Sydney, in particular: Alexandria Park Community School in Power Avenue; the relocation of the Intensive English Language School and development of the new Inner Sydney High School in Cleveland Street, Surry Hills; and the new primary school in the Green Square town centre (their location is shown at Figure 1); and
 - (e) the inherent opportunity in that peak demand from schools for facilities such as sportsfields occurs during school hours, whereas the peak demand from clubs and other community users occurs during evenings and weekends.
3. Under the terms of the Memorandum of Understanding, joint Project Control Groups have been set up with representatives from both the Department and the City to progress discussions for joint use opportunities for the Alexandria Park Community School, the Inner Sydney High School and the Green Square town centre school.
4. This report proposes that the City enter into Heads of Agreements for Alexandria Park Community School and Alexandria Park, and Inner Sydney High School and Prince Alfred Park. The Heads of Agreements set out the parties' understanding for arrangements to be put in place during the construction of the two schools and the future joint use of community facilities.
5. The Heads of Agreements are non-binding on the parties. Their purpose is to summarise arrangements resulting from discussions between the City and the Department. Subject to Council approval of the key terms of the Heads of Agreements, it is proposed that following the City and the Department entering into the Heads of Agreement, they will enter into binding Project Deeds which reflect the terms of the Heads of Agreements for progressing both joint use projects.



Figure 1. Location of joint use school development projects

Alexandria Park Community School and Alexandria Park Heads of Agreement

- The Department is re-building the Alexandria Park Community School to increase its capacity from 400 to 2,200 students (1,000 primary school students and 1,200 secondary school students). Included in the upgrade is a synthetic sportsfield, two outdoor multi-purpose courts, a multi-purpose indoor sports hall and associated amenities. A State Significant Development application for the project is under assessment by the NSW Department of Planning and Environment.

7. Detailed design documentation is underway and the Department is engaging with the community through information booths, workshops and surveys to inform the design. Construction is scheduled to start in early 2019 and the school is planned to be operational by early 2022. Construction will occur in two phases, with temporary pop-up schools used to accommodate current students during phase one. Figure 2 shows the school site adjacent to Alexandria Park and the first redevelopment phase.

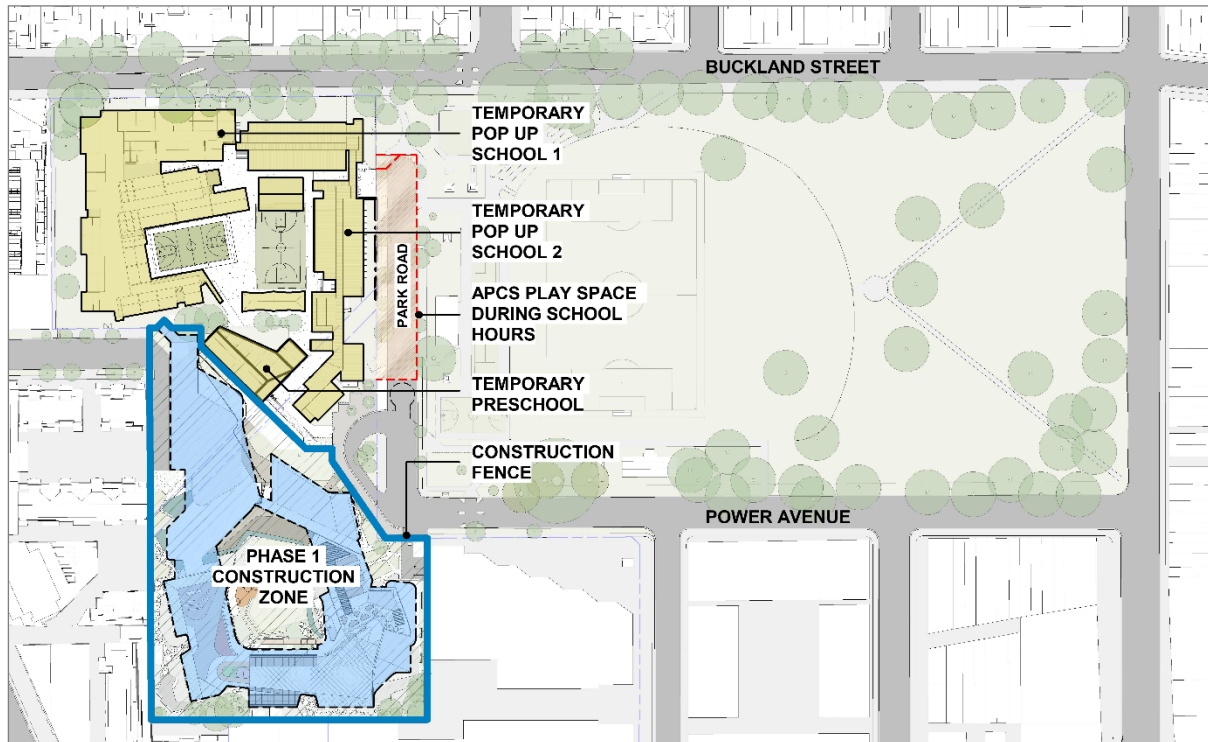


Figure 2. Site plan of Phase 1 showing construction of main works locating pop-up 1, pop-up 2, play space on Park Road, temporary preschool and the construction zone. (Image: Design | TKDArchitects. Source: Department of Education 2018)

8. As shown at Figure 2, phase one and temporary relocation of the students relies on the closure of Park Road to provide a temporary play area during school hours. The closure of the road is the subject of a separate report for consideration by Council in the current Council meeting cycle. Outside school hours the area will be available for public use.
9. As part of the school redevelopment, the Department is planning to construct on their own land a non-competition-size synthetic sportsfield with run offs that do not comply with FIFA requirements. There is an opportunity for the City to contribute capital and land (by a licence) to achieve a competition-size synthetic sportsfield, with compliant run offs, and make the facility more widely available to the community. This relies on the closure of Park Road for the proposed sportsfield to extend beyond the school boundaries onto the road, and the provision of a shared pedestrian and cycle link between Power Avenue and Buckland Street in its place. This arrangement would deliver the following benefits:
- (a) a FIFA compliant competition-size synthetic sportsfield;
 - (b) provision of supporting amenities such as change rooms, field lighting and seating;

- (c) assured community access; and
 - (d) opportunity for the City to provide appropriate maintenance, in line with the City's standards.
10. The Alexandria Park Community School upgrade provides the City with an opportunity to increase the playing field playable hours available to the community in Alexandria and the surrounding suburbs.
 11. The Business Case considered by the City concludes that contribution by the City of capital and a licence for the land which results from the closure of Park Road provide the best value for money - it ensures community access in the future and that the synthetic sportsfield is built to the standards that are expected by the community. Without any contribution from the City, the Department will construct the synthetic field to their own standards on their own land, and there will be no guaranteed community access in the future.
 12. The option to purchase land and build a competition-size synthetic field elsewhere was rejected given the large capital outlay required to purchase land and construct the field and amenities, and the difficulty of finding a suitably sized site. This is estimated at \$50M compared with just one tenth of this cost to deliver the field jointly with the Department. A summary of the Business Case considerations is at Confidential Attachment B.
 13. In addition to the synthetic sportsfield, the upgrade of the school includes two outdoor multi-purpose sports courts, a multi-purpose indoor sports hall, a community centre and amenities for sporting facilities. Figure 3 shows the location of these facilities at completion with the sportsfield extending onto the closed Park Road.

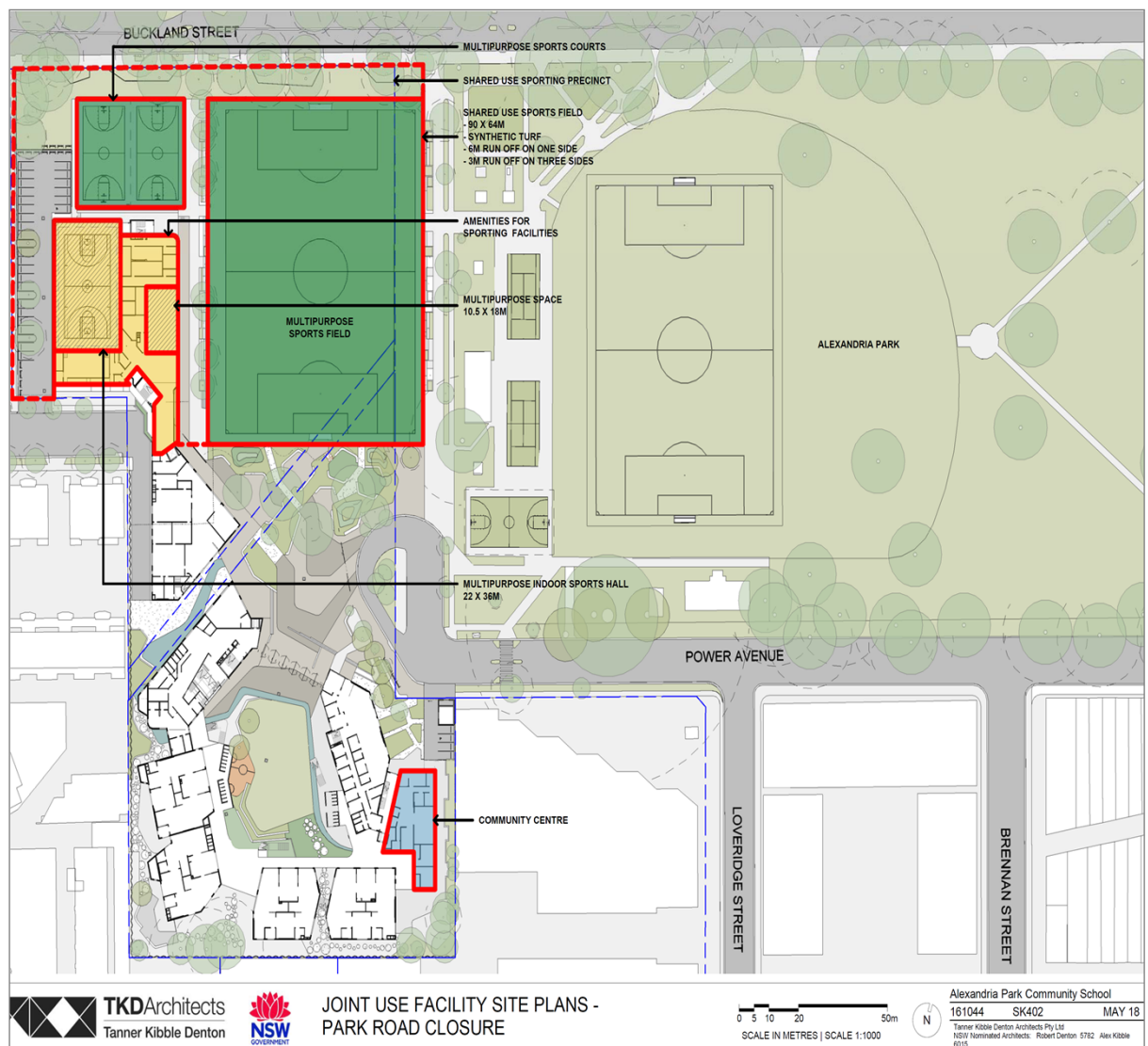


Figure 3. Alexandria Park Community School - Joint use facilities (Image: Design | TKDArchitects. Source: Department of Education 2018)

14. To put into effect the proposed joint use arrangements discussed above, the key terms of the Heads of Agreement include the following:
 - (a) closure of Park Road by the City at its own expense;
 - (b) replacement car parking in Power Avenue provided by the Department at its own expense;
 - (c) 24 months (approximate) lease for the Department to use the land resulting from the closure of Park Road, excluding the existing footpath on the eastern side of Park Road, for school play area during construction of phase one of the project, and during 7.30am to 6.00pm Monday to Friday during school terms, excluding public holidays. The Department will install gates to allow community access outside of these hours;

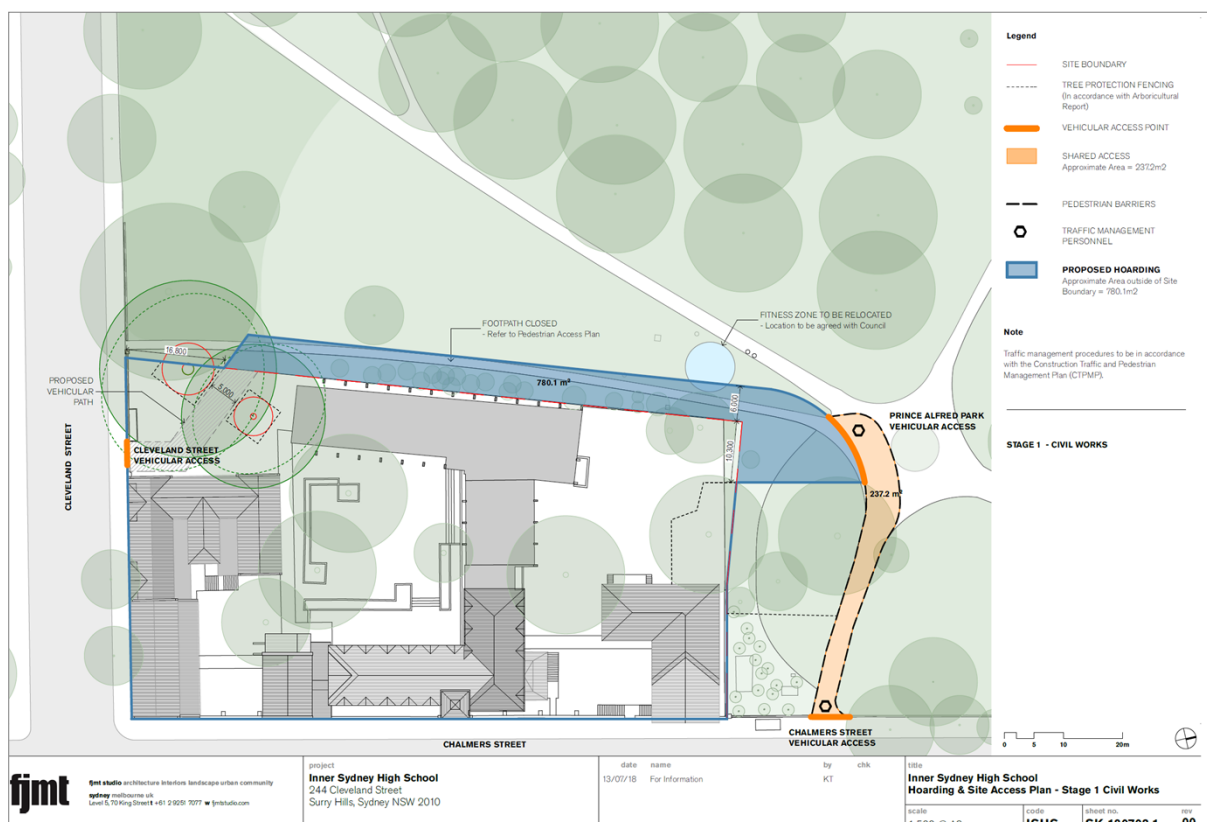
- (d) 12 months (approximate) lease for the Department to use the land resulting from the closure of Park Road, excluding the existing footpath on the eastern side of Park Road, for construction of the sportsfield during 7.30am to 6.00pm Monday to Friday during school terms, excluding public holidays (subject to any restrictions imposed by any approvals from consent authorities);
- (e) construction by the Department of the outdoor school sports facilities - two multipurpose sports courts and a FIFA standard synthetic sportsfield and lighting - built to the Department's and the City's specifications;
- (f) construction by the Department of the indoor school sports facilities - multipurpose sports hall and associated amenities - built to the Department's specifications;
- (g) capital contribution by the City:
 - (i) for the shared cost of construction and renewal of the synthetic sportsfield and the two outdoor sports courts in proportion to the City's use of these facilities;
 - (ii) for full cost and renewal, maintenance and repair of the lighting for the synthetic sportsfield and two outdoor sports courts;
- (h) 20 year cross-licences at a peppercorn fee for the shared use of the synthetic sportsfield and the two outdoor sports courts as follows:
 - (i) for the Department's exclusive use before, during and after school hours, Monday to Friday during school terms, excluding public holidays, with the facilities hiring and fees being managed by the Department during these hours;
 - (ii) for the City's (and the community's) exclusive use outside the above Department's hours, with the facilities hiring and fees being managed by the City during these hours;
 - (iii) the City will be responsible for maintenance and repairs and will be reimbursed by the Department in proportion to its use of the facilities;
 - (iv) the costs of utility services for the facilities (excluding lighting) will be shared by the City and the Department in proportion to their respective use;
- (i) 20 year licence to the City at a peppercorn fee for the use of the indoor sports school facilities as follows:
 - (i) by the City (for community use) in the evenings until 10.00pm Monday to Friday during school terms and 8.00am to 10.00pm on weekends, school holidays and public holidays;
 - (ii) the school will directly hire the indoor sports facilities to the community for use during the above hours and fees are to be in line with fees charged by the City for similar uses; and
 - (iii) cleaning, maintenance and repair of the indoor sports school facilities is to be the responsibility of the Department;

- (j) the Department is required to provide replacement car parking in Power Road to specifications and in locations agreed between the parties; and
 - (k) access will not be granted to the Department under any of the above licences until the Project Deed which reflects the above terms is entered into between the City and the Department.
15. Other matters covered by the proposed Heads of Agreement include dealing with confidential information, public communications, safety and liability. This report recommends that Council approve the key terms of the proposed Heads of Agreement. Following the Heads of Agreement being entered into, a Project Deed will be prepared.
16. An indicative timeframe for completing the Project Deed by 31 October 2018 has been set by the parties. Matters not covered in the Heads of Agreement such as risk, operational management, insurance and security will be negotiated between the parties as part of the Project Deed.
17. As mentioned earlier in this report, the State Significant Development application for the school project is being considered by the Department of Planning and Environment. The application includes a non-competition-size sportsfield. For the field to be competition-size it needs to extend beyond the school land onto Council-owned land on Park Road. A modification to the application is required to extend the site area the subject of the application to include Park Road.
18. Subject to Council approval, Park Road is proposed to be permanently closed. The closure is the subject of a separate report for consideration by Council in the current Council meeting cycle. This report recommends that Council grant Owner's Consent for the Department to submit a modification to the State Significant Development application so as to achieve a competition-size sportsfield.
19. This report also recommends that upon the permanent closure of Park Road, the road be classified as operational land under the Local Government Act 1993, and that Council publicly notify its intention to classify the land as operational in accordance with the Local Government Act 1993. Community land classification would not be appropriate given the Alexandria Park Community School will have exclusive use during school hours and therefore this land would not be open to the public during those hours.

Inner Sydney High School and Prince Alfred Park Heads of Agreement

20. The Department is upgrading the site of the former Cleveland Street Intensive English High School on the corner of Chalmers and Cleveland Streets to a new 13 storey high school. Redevelopment also involves the adaptive reuse and integration of the heritage buildings on site. The school campus is adjacent to Prince Alfred Park as shown at Figure 1.
21. The Cleveland Street Intensive English High School has been relocated to temporary accommodation at Alexandria Park Community School until its permanent relocation into the new and refurbished accommodation on the school's Mitchell Road site.
22. The new Inner Sydney High School will accommodate 1,200 students and is scheduled to be operational in 2020. The Department of Environment and Planning approved the State Significant Development application in February 2018.

23. The Department has engaged contractors who have commenced early works demolition on the site.
24. The school redevelopment will provide some limited play space within the school site. To build the school and to offer greater amenity for the students once the school is fully operational, the Department seeks access to parts of Prince Alfred Park as follows:
- the areas shown at Figure 4 for construction access including vehicle access from Chalmers and Cleveland Streets during school building works anticipated to be for about 24 months;
 - the area shown at Figure 5 for the students' non-exclusive use at recess and lunchtime only - four hours a day from 10.00am to 2.00pm for 40 weeks per year. Sixty per cent of the school's open space requirements are provided on site, and it is estimated that 40 per cent (480) of the children would use the park at recess and lunchtime when the school reaches full capacity;
 - the areas shown at Figure 6 for undertaking drainage works, stormwater and sewer capacity and connections anticipated to be for about six weeks; and
 - the areas shown in Figure 7 for undertaking landscaping works anticipated to be for about two months.



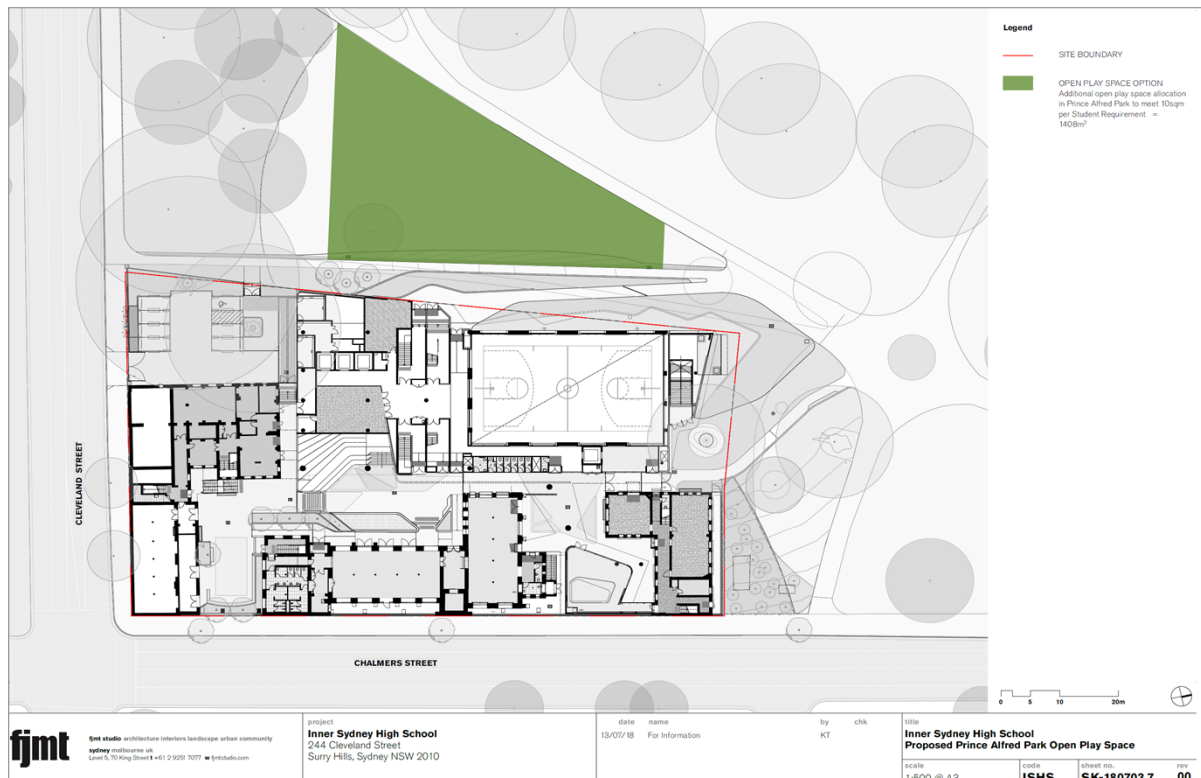


Figure 5. Inner Sydney High School - Students' recreation area

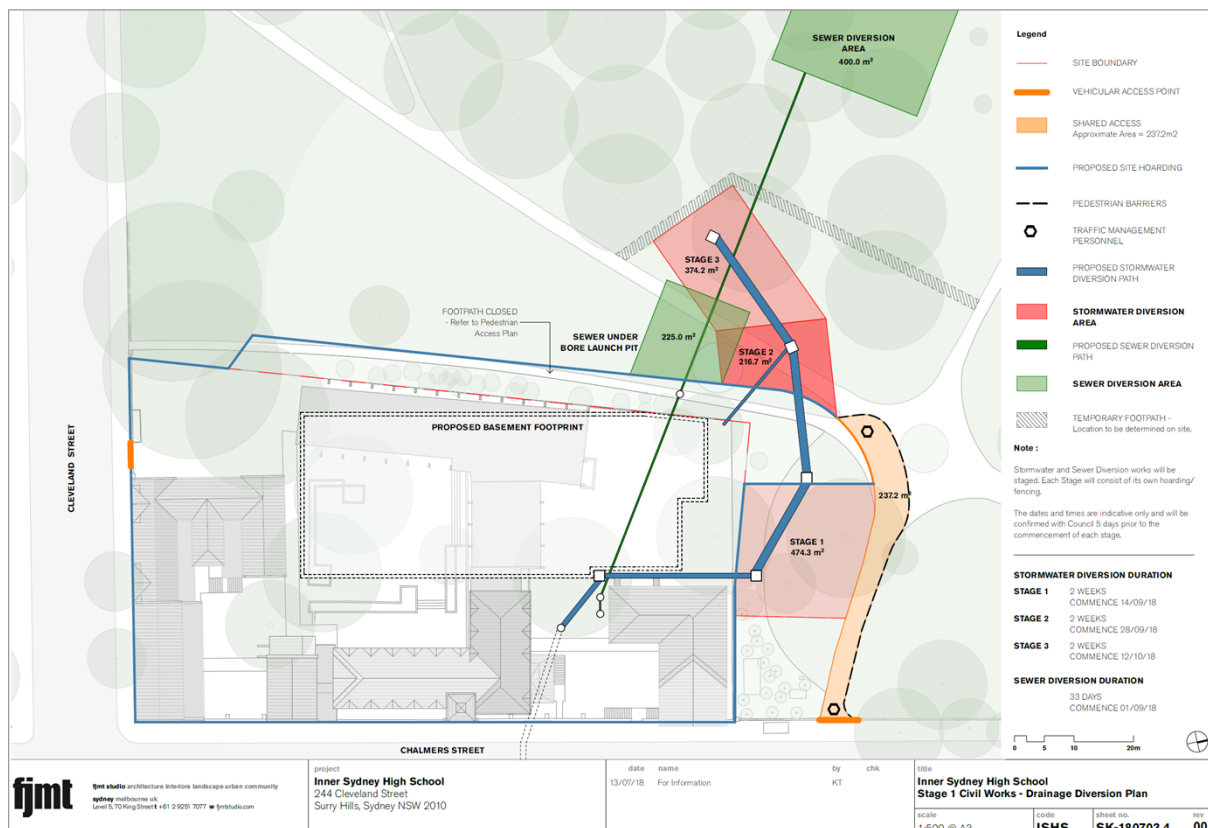


Figure 6. Inner Sydney High School - Area for stormwater and sewer drainage works

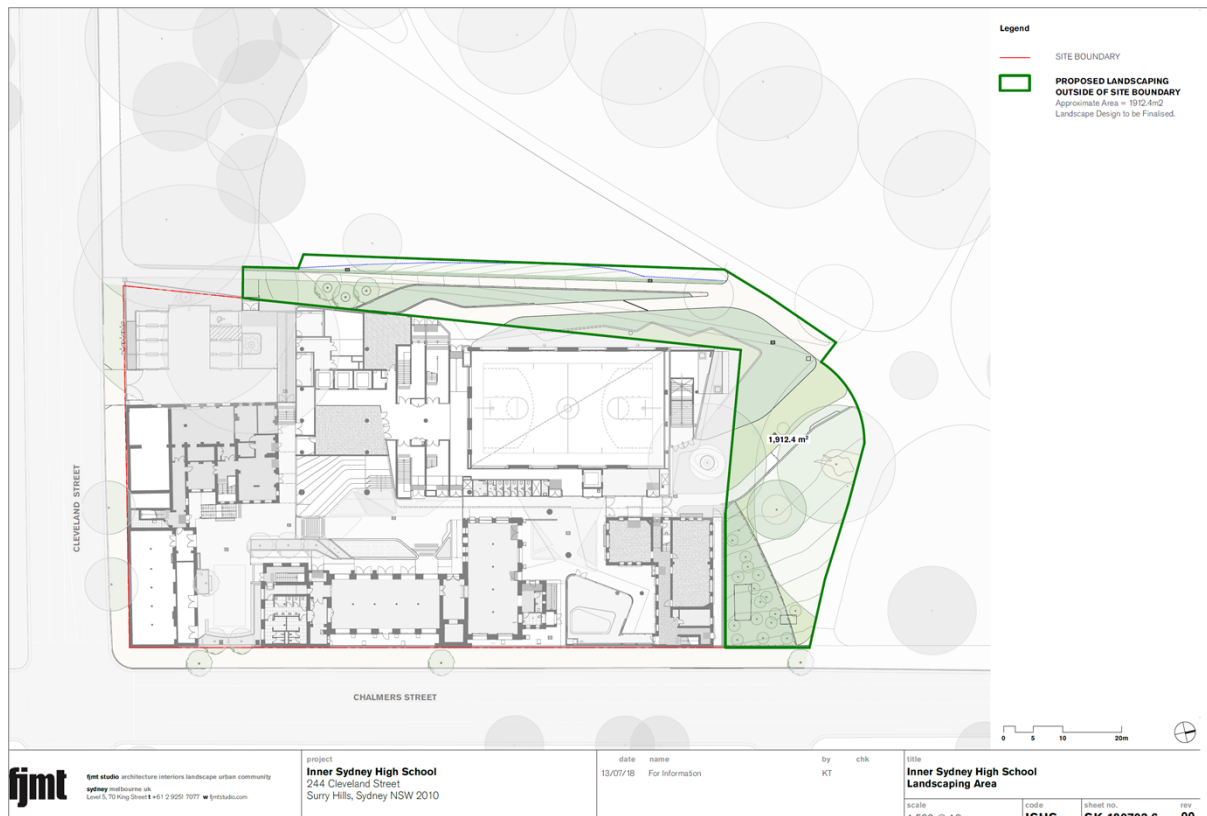


Figure 7. Inner Sydney High School - Landscaping area

25. Discussions on joint use arrangements between the City and the Department have taken place under the terms of the Memorandum of Understanding (shown at Attachment A). Discussions have focused on facilitating the rebuilding of the school, minimising the impacts on Prince Alfred Park both during construction and during full operation of the school, and on arrangements for joint use of facilities.
26. Access by the Department and its contractors to Prince Alfred Park will require a number of licences. The park is Crown land vested in Council for its care, control and management. Under the Crown Lands Management Act 2016 Council is entitled to enter into licence agreements.
27. Access to the park under a construction licence with the Department would be subject to a fee as set out in the City's Fees and Charges 2018/2019 schedule. Fees generated from such licence may offset landscaping works to mitigate the impact of the school students' more intensive use of the park. The table at Attachment C (Confidential) shows indicative offsets from licence fees.
28. To put into effect the proposed arrangements discussed above, the key terms of the proposed Heads of Agreement include the following:
 - (a) initially, until the Project Deed is executed, a licence to the Department to use an area of the park at all times for construction vehicles to access the site from Chalmers and Cleveland Streets. However, if the Project Deed which reflects the below terms is not entered into between the City and the Department by 31 October 2018, the City may terminate this licence and the Department will be required to pay the City for the licence term up until the termination date, based on the relevant fee as set out in the City's Fees and Charges 2018/2019 schedule;

- (b) once the Project Deed is executed, a licence to the Department to use an area of the park (shown at Figure 4) for construction activities during the construction period of approximately 24 months;
- (c) at the end of the construction licence period, the Department's restoration of the area shown in Figure 7 by way of landscaping works to a standard higher than the original condition, as agreed by the Department and the City (noting that the monetary value of the upgrade works are being offset from licence fees applicable under 28 (a), (b) and (h));
- (d) provision by the Department of temporary pedestrian paths as agreed by the City;
- (e) tree protection during construction;
- (f) 20 year licence granted by the Department to the City at no fee for the use of the school facilities (including fitness training areas, performance spaces, and toilets) as follows:
 - (i) by the City (for community use) between 6.00pm to 10.00pm Monday to Friday during school terms and 8.00am to 10.00pm on weekends, school holidays and public holidays;
 - (ii) the school will directly hire the school facilities to the community for use during the above hours and fees are to be in line with fees charged by the City for similar uses;
 - (iii) cleaning, maintenance and repair of the indoor school facilities is to be the responsibility of the Department;
- (g) 20 year licence granted by the City to the Department at no fee for use of an area of the park (shown at Figure 5) as follows:
 - (i) by the Department for the students' use for recreation at recess and lunchtime, from 10.00am to 2.00pm Monday to Friday during school term, excluding public holidays;
 - (ii) additional bench seats and bins for the recreation area are to be provided by the Department at its expense, and subject to the City's approval for their design and location;
 - (iii) cleaning, maintenance, repair and capital expenditure for renewal of the recreation area is to be equally shared between the Department and the City; and
- (h) 6 week licence from September 2018 (subject to the Project Deed being entered into) granted by the City for the Department to occupy an area of the park (shown at Figure 6) to undertake stormwater and sewer drainage works and reinstate the area to at least its original condition, however, access to this area will not be granted until the Project Deed is entered into; and
- (i) payment by the Department to the City to cover any shortfall in licence fees after offsets for the monetary value of the upgrade landscaping works in (c) above.

29. Other matters covered by the proposed Heads of Agreement include dealing with confidential information, public communications, safety and liability. This report recommends that Council approve the key terms of the proposed Heads of Agreement. Following the Heads of Agreement being entered into, a Project Deed will be prepared.
30. An indicative timeframe for completing the Project Deed by 31 October 2018 has been set by the parties. Matters not covered in the Heads of Agreement such as risk, operational management, insurance and security will be negotiated between the parties as part of the Project Deed.

Key Implications

Strategic Alignment - Sustainable Sydney 2030 Vision

31. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This report is aligned with the following strategic directions and objectives:
 - (a) Direction 2 - A Leading Environmental Performer – the proposed synthetic sportsfield provides the opportunity to harvest water from the field for re-use in Alexandria Park or within the school. The City will pursue with the Department the inclusion of a water collection and re-use system in the construction and operation of the proposed field;
 - (b) Direction 6 - Vibrant Local Communities and Economies – schools are an important part of the fabric of the community. Delivering guaranteed community access through joint use arrangements for new school facilities will contribute to equitable access to community, cultural and recreation facilities to support wellbeing in daily life; and
 - (a) Direction 10 - Implementation through Effective Governance and Partnership – effective joint use agreements represent a strategic partnership with the NSW Government to deliver public facilities, on a value for money basis. This will be demonstrated through legally binding deeds specific to each school project. The partnerships between the City and the Department for the Alexandria Park Community School and the Inner Sydney School, together with the Green Square town centre school, are significant outcomes of the Memorandum of Understanding for Joint Use Projects which was approved by Council in August 2017.

Organisational Impact

32. The joint use facilities to be delivered through the rebuilding of the Alexandria Park Community School and the Inner Sydney High School will be project managed by the Department. This minimises the organisational impact for the City.
33. In particular, the Department's delivery of the outdoor sports facilities with the rebuilding of the Alexandria Park Community School, is the most efficient method for delivering significant facilities for which the largest component is an educational institution. Specifications for design standards for these facilities are to be agreed by the City, and project management support will be necessary to ensure the outdoor school sports facilities are built to the City's standards.

34. The City will need to collaborate with the Department throughout the duration of both projects, to provide advice, to ensure key design and specification requirements for components funded by the City are met, and to ensure access licences are managed in a timely manner to minimise delays and impacts on users of both Alexandria Park and Prince Alfred Park.
35. Additional demand for service levels and staffing for maintenance, repairs, bookings and the like is proposed to be considered in detail during the preparation of the Project Deeds. This additional demand will require integration into the City's systems and contracts for ongoing services. For example, repair and maintenance of the outdoor school sport facilities at Alexandria Park Community School could be combined with maintenance contracts for Perry Park.

Risks

36. The proposed Heads of Agreements for Alexandria Park Community School and Inner Sydney High School cover key terms for risk associated with the projects, such as apportionment of costs; timing; confidentiality and publicity; maintenance and asset renewal; operational management; and mitigation works. It is intended that the subsequent Project Deeds will define these in detail, in addition to matters such as insurance, safety and security, and dispute resolution.
37. The City will manage potential risks associated with these partnerships with the Department through the legally binding arrangements set out in the Project Deeds for each joint use project and the ongoing Operation Plan for the Alexandria Park shared facilities.

Social / Cultural / Community

38. The key terms under the proposed Heads of Agreements and the proposed subsequent Project Deeds for the Alexandria Park Community School and the Inner Sydney High School deliver outcomes for the community. Both the City and the Department have control over major public assets across the municipality, where greater access can be achieved, particularly in line with peak demand periods. Joint use agreements with the Department facilitate the rebuilding of critically needed schools in the City and secure the future use of shared facilities by the wider community.

Environmental

39. The synthetic sportsfield proposed as part of the rebuilding of the Alexandria Park Community School provides the opportunity to harvest water from the field for re-use in Alexandria Park or within the school. The City will pursue with the Department the inclusion of a water collection and re-use system in the construction and operation of the proposed field. The City will also be seeking to use the lowest energy rated lighting available to achieve the standards required for night time sporting use.

Budget Implications

40. The Business Case prepared for the Alexandria Park Community School synthetic sportsfield demonstrated that the City's contribution of capital and a licence for the land formed by the closure of Park Road provides the best outcome for the City and the community. The Business Case is discussed earlier in this report and a summary of outcomes is included at Confidential Attachment B. The assessment is confidential at this stage, as the cost estimates are deemed to be commercially sensitive and may vary as a result of final negotiations.
41. The City's Long Term Financial Plan adopted by Council in June 2018 confirms a budget for Alexandria Park upgrades and the synthetic sportsfield of \$4.3M to the 2021/2022 financial year. The joint use agreement with the Department will allow community access to a competition-size synthetic field and increase the playable hours available for a significantly reduced capital outlay when compared to purchasing land and constructing a sportsfield (estimated at close to \$50M).
42. The proposed Heads of Agreement for the Alexandria Park Community School proposes the sharing of costs between the City and the Department in proportion to their respective use, for the asset construction, renewal, maintenance and repairs of the two outdoor sports courts and sportsfield. This cost sharing arrangements have been assessed to deliver significant outcomes for both parties in terms of value for money. In addition, the City will be able to generate revenue from hiring fees for these outdoor sports facilities.
43. The rebuilding of the Inner Sydney School will result in more intensive use of Prince Alfred Park by students - of the recreation area adjacent to the school site and the half size sportsfield. The 300 per cent increase (from 400 to 1,200 students) in the potential use of the sportsfield in particular will have an impact on its condition. The cost of improvements to the field and the potential upgrade to a synthetic sportsfield may be partly offset against access fees derived from the Department's use of the park area required for construction of the school.

Relevant Legislation

44. Local Government Act 1993.
45. Attachments B and C contain confidential commercial information which, if disclosed, would:
 - (a) confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business; and
 - (b) prejudice the commercial position of the person who supplied it.
46. Discussion of the matter in an open meeting would, on balance, be contrary to the public interest because it would compromise Council's ability to negotiate fairly and commercially to achieve the best outcome for its ratepayers.
47. Crown Lands Management Act 2016.

Critical Dates / Time Frames

48. The proposed Heads of Agreements set out the key terms for joint use arrangements for the Alexandria Park Community School and Alexandria Park, and the Inner Sydney High School and Prince Alfred Park. These are non-binding and, subject to Council approval, it is proposed to finalise binding Project Deeds for each school development by 31 October 2018.
49. Council approval for the closure of Park Road is critical for the Department to use the land formed by the closure for the temporary school play area. This matter is the subject of a separate report for consideration by Council in the current Council meeting cycle. The closure will enable the area to be available for students by Term 4, 2018.
50. The Department's early works contractor has commenced works on the Inner Sydney High School site. Under the proposed Heads of Agreement the Department seeks the licence for construction access to progress rebuilding of the school. The Department has gone to tender for the main works contract. The timing of this report is critical for the project timing.

Options

51. Discussions on joint use arrangements between the City and the Department have taken place under the terms of the Memorandum of Understanding (shown at Attachment A). Discussions have focused on facilitating the rebuilding of the schools whilst minimising potential adverse impacts, and maximising community benefits through the sharing of public assets, whilst considering best value for money for the City. The option not to proceed with joint use agreements with the Department would severely constrain these outcomes.
52. Options considered by the City to provide a competition-size sportsfield are discussed earlier in this report and summarised at Confidential Attachment B.

Public Consultation

53. The Department continues to engage with the community on the school projects through information booths, workshops and surveys. Communications with the community and other relevant stakeholders required during the delivery of the school projects will be the responsibility of the Department as project manager.
54. The City will work with the Department to define a process for community consultation and notifications. Details of these are planned to be included in the project-specific deeds.
55. The Alexandria Park Community School and local residents have been consulted and provided feedback on the proposed closure of Park Road. The vast majority of respondents were supportive of the closure.

KIM WOODBURY

Chief Operating Officer

Lila Contziu, Manager Green Square Place Making

Joel Johnson, Manager City Greening and Leisure

DAVID RIORDAN

Director City Services

Attachment A

<p>Memorandum of Understanding with the NSW Department of Education Joint Use Project</p>
--

Asset Management Planning and Strategy

Joint Use Project – Memorandum of Understanding – City of Sydney

1. Rationale

The Department of Education has developed a policy for Joint Use Projects (JUP). The rationale for preparing this Memorandum of Understanding (MoU) is to form the basis for a co-operative relationship between the two parties in regards to investigating potential joint use projects.

2. Goals and Objectives

The goals and objectives for the partnership include:

- Collaborative investigation of joint use project opportunities.
- Optimisation of community benefits related to the provision of public assets.
- Obtaining mutually beneficial outcomes for each partner.

3. Partner Organisations

This MoU is between the organisations listed below.

3.1 Department Details

Region Name or Cluster References	Inner City and Green Square clusters
Department Representative	Katie Joyner, Director Schools Planning
Street Address	Level 4, 35 Bridge Street Sydney NSW 2000
Postal Address	GPO Box 33 Sydney NSW 2001
Email Address(for correspondence)	katie.joyner@det.nsw.edu.au
Contact person (for correspondence)	Katie Joyner, Director Schools Planning
Telephone	9561 8929
Fax	9561 8077

3.2 Partner Details

Correct Legal Name	Council of the City of Sydney
Street Address	Town Hall House, 456 Kent Street Sydney NSW 2000
Postal Address	GPO Box 1591 Sydney NSW 2001
Email Address (for correspondence)	driordan@cityofsydney.nsw.gov.au
Contact person (for correspondence)	David Riordan, Director City Operations
Telephone	9265 9092
Fax	
Partner's an ACN or ABN	ABN
	22 636 550 790

4 Subject Area

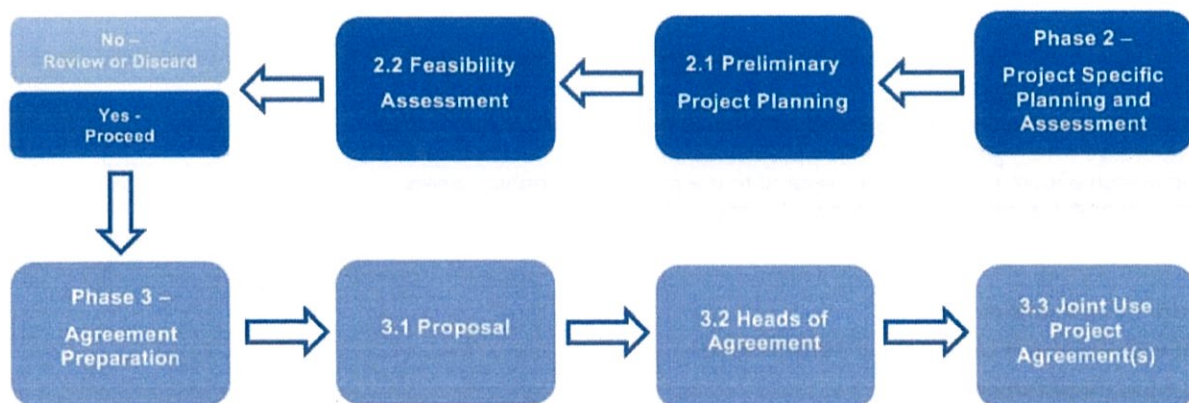
This MoU relates to Sydney Local Government Area.

5 Purpose and Process

After agreeing to establish a strategic partnership through 'Phase 1' of the process outlined in the Department of Education's *JUP Guidelines*, the purpose of this MoU is to:

- formalise and agree on potential joint use project opportunities and priorities within the Sydney LGA,
- identify and agree to partnership roles and responsibilities in regard to progressing the investigation of agreed priority projects; and
- agree to progressing the investigation of agreed priority projects through 'Phase 2' of the process outlined in the *JUP Guidelines* and to determine if they will be realised through a formal legal agreement (Phase 3). If both parties mutually agree, selected projects will be progressed through Phase 3 by a joint advisory group with formal sign off required by each party at steps 3.1, 3.2 and 3.3.

The key steps in this process are shown in the diagram below.



Throughout this process, projects will be subject to review and evaluation at each step (refer to section 11).

6 Roles and Responsibilities

The parties agree to form a JUP Advisory Group to develop an *Investigation Program* to guide the investigation of the priority joint use projects and review and update the *Investigation Program* on an ongoing basis. It is noted that the role of the JUP Advisory Group is limited to potential joint use projects and does not extend to the planning and/or location of Education assets generally.

The JUP Advisory Group will consist of the following delegates (1 per partner) and members (up to 4 per partner) or their proxies. Parties may invite additional staff and/or consultants to meetings as required to assist with discussions and/or information sharing but must advise the other party in advance of the meeting.

- Department -
 - Delegate: Katie Joyner, Director Schools Planning (proxy: Susanne Johnson, Senior Asset Planner)
 - Members: Susanne Johnson, Senior Asset Planner (proxy: Lisa Jansen, Asset Planner), Glenn Downie, Director Asset Management Unit Sydney (proxy: Nick Stevanovic, Senior Group Leader), Ros Moxham, Director Public Schools NSW (proxy: Sylvia Corish Director Public Schools NSW), Richard Hayes, Director Commercial Transactions.
- Partner -
 - Delegate: David Riordan, Director City Operations (proxy: Chris Lawlor Senior Manager Development and Strategy)
 - Members: Chris Lawlor, Senior Manager Development and Strategy (proxy: Rachel Perrin Executive Manager Infrastructure North), Joel Johnson, Manager City Greening and Leisure (proxy: Jacqui Brooks, Parks Assets and Services Manager). Further members to be nominated on a project basis.

The roles and responsibilities of the JUP Advisory Group include the following points:

- The JUP Advisory Group is accountable for:
 - fostering collaboration,
 - removing obstacles to the partnership's successful delivery, adoption and use,
 - maintaining at all times the focus of the partnership on the agreed scope, outcomes and benefits; and
 - monitoring and managing the factors outside the partnership's control that are critical to its success.

- The membership of the JUP Advisory Group will commit to:
 - attending all scheduled group meetings,
 - champion the partnership within and outside of work areas,
 - share all communications and information across all group members,
 - make timely decisions and take action so as to not hold up the project,
 - notifying members of the group, as soon as practical, if any matter arises which may be deemed to affect the development of the partnership; and
 - attendance at all meetings and if necessary nominate a proxy.
 - that each member will be provided with complete, accurate and meaningful information in a timely manner,
 - to be given reasonable time to make key decisions,
 - to be alerted to potential risks and issues that could impact the project, as they arise,
 - open and honest discussions; and
 - ongoing 'health checks' to verify the overall status and 'health' of the partnership.

7 Meetings

The following points relate to the conduct of JUP Advisory Group meetings:

- meetings will be chaired alternately by each party's delegate,
- notice of a meeting can be given by either party's delegate, but must be accepted by the other party's delegate to constitute a JUP Advisory Group meeting,
- a meeting quorum will be one JUP Advisory Group delegate or their nominated proxy from each MoU partner,
- decisions will be made by mutual agreement (i.e. both delegates agree),
- meeting agendas and minutes will be provided alternately by the party responsible for chairing the meeting, who will:
 - prepare agendas and supporting papers,
 - prepare meeting notes and information,
- meetings will be held as required, but not less than twice annually; and
- subgroup meetings (if required) will be arranged outside of these times at a time convenient to subgroup members. Outcomes of these meetings will be reported to JUP Advisory Group delegates and shared as required at full JUP Advisory Group meetings.

8 Resources and Information

The JUP Advisory Group will discuss and nominate specific actions required to complete each step of the investigation process for each project. The responsibility of undertaking actions and the associated resources and costs will be agreed by the parties through the JUP Advisory Group.

Subject to confidentiality issues, the parties will share all relevant project information with each other. Unless otherwise agreed, all information that is shared is to be treated in confidence and not to be shared outside of the partner organisations without permission. Distribution of shared information within the organisations should be kept to a minimum (i.e. generally within the JUP Advisory Group and executive of each partner).

9 Dispute Resolution

Where a dispute between the parties cannot be resolved by the JUP Advisory Group, it should be referred to the Executive Officers of each party for resolution.

In the event that the Executive Officers cannot resolve the dispute, the view of the land owner shall prevail with the subject project(s) and the *Investigation Program* to be reviewed and updated by the JUP Advisory Group to reflect the outcome.

10 Term

This Memorandum shall commence on the date of execution by both parties and expire on *30 December 2019*, unless terminated earlier by written consent of both parties.

11 Review and Evaluation

The MoU partners and the JUP Advisory Group will review the viability of projects as they pass through each step of the 'Phase 2' and 'Phase 3' investigation processes and evaluate whether they should proceed to the next step of the process.

Should a project not progress through one of the steps, it will be:

- reviewed to consider scope changes and resubmitted, or
- issued with a lower priority for future investigation, or
- removed from the strategic project program.

The JUP Advisory Group will review and update (at least twice annually) the Strategic Project Program including:

- addition and/or removal of projects;
- changes/amendments to projects;
- revision of priorities; and
- status of each current project.

The updated program will be circulated to relevant executive officers of each partner organisation.

12 Execution

SIGNATORIES TO THIS MEMORANDUM

We understand that the purpose of this Memorandum is to form the basis for a co-operative relationship between the two parties to investigate potential joint use projects. It is neither intended to be nor is a legally binding agreement.

Each party will strive to reach the objectives stated in the MoU and adhere to the undertakings outlined in each section to the best of their ability.

Signature of Department Representative



Name and Position of Department Representative

ANTHONY MANNING, CHIEF
EXECUTIVE

Date: 1/3/2018

Signature of Partner Representative



Name and Position of Partner Representative

PATRICIA MONICA BARONE
CHIEF EXECUTIVE OFFICER.

Date: 19/2/18

For Department Use Only

Agreement Type (complexity)

Responsible Project Officer

Other Comments	
----------------	--

CONFIDENTIAL

By virtue of the Local Government Act 1993 Section 10A Paragraph 2

Document is Restricted

CONFIDENTIAL

By virtue of the Local Government Act 1993 Section 10A Paragraph 2

Document is Restricted