

Town of Port Hedland

Business Plan

A proposal by the Town of Port Hedland to Enter into a Major Land Transaction via Private Treaty with BHP Billiton Iron Ore for the Development of Precinct 3 at the Port Hedland International Airport

Report on Submissions Received

DCA

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EXECUTIVE SUMMARY

The Town of Port Hedland (ToPH) prepared a business plan in accordance with Section 3.59 of the Local Government to enter into a Major Land Transaction. The proposal contained in the Plan involves the Town entering into a private treaty arrangement to undertake a major land transaction with BHP Billiton (BHPB). The agreement will facilitate the following:

- Subdivision of portion of “Precinct 3” by BHPB to create 40 lots. 39 of which will be serviced lots, with 38 retained by the ToPH (the balance lot will not be serviced and will be incorporated into the rest of the Airport Land).
- The Lease of proposed lot 35 to BHPB to facilitate the development of a 6,000 bed TWA (Transient Workforce Accommodation) facility for a construction workforce.
- Newly created lots to be used for bulky goods, light industrial and commercial uses, with four (4) additional TWA sites which may be used for non-resource related projects.
- Balance lot, future investigations to be undertaken to develop options for key worker housing.

The purpose of this Report is to give consideration to the submissions received and on whether the Business Plan requires amendment, and whether such amendment will be a significant change to the Plan.

Methodology

The following methodology was adopted in preparing this Report:

Executive Summary

1. Introduction
 - 1.1 Purpose of Report
 - 1.2 Background
 - 1.3 Methodology
2. Compliance with Legislative Obligations

3. Definition of Significantly Different
4. Submissions
 - 4.1. Details of Significantly Different
 - 4.2. Summary of Issues and Concerns
5. Findings
 - 5.1. Compliance with Legislative Obligations
 - 5.2. Business Plan as prepared by the Town of Port Hedland
 - 5.3. Key Themes of Submissions Received
 - 5.4. Comments/Responses on Key Themes Raised in Submissions
6. Conclusions

Compliance with Legislative Obligations

Section 2.0 of this Report confirms that the Town of Port Hedland has complied with the legislative requirements as per the Local Government Act 1995 and its regulations, in relation to the preparation of a business plan to enter into a major land transaction.

Definition of Significantly Different

Section 3.59 (5) of the Local Government Act 1995 states:

“After the last day for submissions, the local government is to consider any submissions made and may decide to proceed with the undertaking or transaction as proposed or so that it is not significantly different from what was proposed.”

(A decision of Council requires an absolute majority.)

The local Government Act 1995 does not define “significantly different”; however a local government could consider any change to the proposal in terms of its intent, extent and affect.

Submissions

At the closure of the submission period on 28 December 2011, the Town of Port Hedland had received 20 submissions. Full details of the submissions can be found in Section 4.0 of this Report.

Findings

The submissions were analysed and the following key themes emerged:

1. Creation of Bulk Goods/Light Industrial/Commercial lots:
 - (a) General support for the development on airport land.
 - (b) General support for lease rather than sale of land.
2. Airport Redevelopment
 - (a) General support for the redevelopment.
 - (b) View that there is a greater benefit to be derived by the mining companies and not the general public.
3. Transient Workers Accommodation (TWA) Facility
 - (a) Opposition to the proposal on the airport land for the following reasons:
 - (i) TWA needs to be located in close proximity to existing facilities, businesses and community infrastructure.
 - (ii) Unclear what the proposed use of the facility will be after the expiry of the lease.
 - (iii) There is no mechanism to limit the use of the TWA to its intended purpose.
 - (iv) The proposed scale of the development will discourage public and private sector development in Port and South Hedland.
 - (v) The proposal has the potential to change the population base from local residents to a majority of transient workers.
 - (vi) The TWA proposal will lead to an oversupply of short stay accommodation, negatively impacting on existing private providers.
 - (vii) The TWA's located in isolation from existing communities, which will create social and physical problems.
 - (viii) The TWA proposal will further disperse the population to another significant population centre, namely the 'airport'.

- (ix) A 6,000 bed TWA facility is too large for such a confined area.
 - (x) TWA's are to be of a temporary nature; a 25 year lease is considered too long.
 - (xi) It is unclear what facilities will be provided on Lot 35 and the potential negative impacts on local businesses.
 - (xii) It is unclear what the adverse impacts on road infrastructure and traffic management problems will be.
- (b) Economic impact assessment has not taken into account costs of the project and focuses on potential benefits, and does not quantify negative economic and social impacts.
 - (c) Will local businesses be given priority to service TWA.
 - (d) No opportunities identified for local indigenous people to be trained and employed on the construction site or in the provision of services to the TWA.
 - (e) Soil type/water table in the area is unsuitable for septic tank discharge.
 - (f) Refuse disposal needs to be addressed.
 - (g) Equitable treatment of other companies requiring accommodation.
 - (h) Management strategy for TWA to be incorporated in a Local Planning Policy or Scheme Amendment.
4. Other
- (a) Lack of consultation by the ToPH in the development of the business plan.
 - (b) A revised business plan to be prepared with greater detail and clarification into all the effects that will burden the Town.
 - (c) Land valuations detailed in the proposal grossly misrepresent the true commercial property market value.
 - (d) Public access to TWA facilities.
 - (e) Need to conduct a social impact assessment.

An analysis of the business plan was also undertaken and the following issues were identified:

1. The projected financial benefits to the Town of Port Hedland detailed on Page 19 of the business plan have not taken into account the potential life cycle costs in relation to the infrastructure that the Town of Port Hedland will be responsible for (refer page 8 – 2.2.6(2) and (3)), therefore the anticipated returns may be overstated.
2. In relation to the lease of proposed lot 35 to BHPB, and the subsequent creation of a 6,000 bed TWA by BHPB, the business plan does not address whether the land and the built infrastructure will revert back to the Town at the end of the lease term; or whether BHPB will be required to return the land back to the Town in its natural state. This may also impact on potential lifecycle costs.
3. In Section 2.1 of the Business Plan, the Town of Port Hedland acquired the Port Hedland International Airport, including the subject site, in 1985. The Town may give consideration to utilising the Margin Scheme in accordance with Section 75-15 of the Goods and Services Tax Act 1999, which allows for an apportionment. Subdivision is defined as the creation of new rights and title in substitution of the original rights and title so that what is transferred following the subdivision may be different real property owned before subdivision.

If the Shire chooses to sell the land under the Margin Scheme, the property needs to be valued based on one of the following methods:

“The market value (as at 1 July 2000) determined and in writing by a professional valuer”.

“The most recent value set by a State or Territory Government for rating or land tax purposes (made before the valuation date)”.

Both the buyer and seller must agree in writing to apply the Margin Scheme for a contract of sale made after 29 June 2005. This agreement to use the Margin Scheme must be reached by the time the property is supplied (usually at settlement). This may form part of the Sales Contract.

Comments in relation to the key issues and concerns raised in submissions have been incorporated into Section 4.0 of the Report. These comments have been provided by the following:

1. Dominic Carbone and Associates;
2. Town of Port Hedland;
3. AEC Group Ltd; and
4. David Liggins, Valuer.

Conclusions

1. The proposal within the business plan is in line with the intentions of the draft PPCGP, which states:

Key development opportunities within Precinct 7 (which includes Precinct 3 detailed in the business plan) are:

- (I) Highway Commercial/Light Industrial.
- (II) Facilitate short term development of Construction Workforce, and in responding to demand:
 - (a) To consolidate existing area on Great Northern Highway and deliver legacy infrastructure.
 - (b) To facilitate development progression within a defined area of Light Industry precinct.

The PPCGP also examines a series of 'Quick Wins', or projects that can be progressed immediately (0-2 years), including three identified within Precinct 7, (which includes Precinct 3 detailed in the business plan):

- (1) TWA developments for construction workforce (performance based ensuring limited lifetime on TWA).
- (2) Expansion of Airport.
- (3) Development of Industrial and Commercial land.

2. In relation to the issues and concerns contained in the submissions received, and consideration of them, the Council may wish to consider the following:

- (I) Development of Lots for Bulky Goods/Industrial/Commercial Uses

There is general support for the lease of Lot 34 rather than its sale to BHPB.

In order that Council may give consideration to the above, the following analysis has been undertaken in order to conclude as to whether such a change to the business plan could be deemed to be significantly different. Reference is made to Section 2.0 of this Report. When considering any change to the proposal, the following factors are to be taken into account in terms of Lot 34 specifically and the overall proposal contained in the business plan:

(a) Lot 34

(i) Intent

The intent is to change the disposal method of Lot 34 from sale to lease.

Sale of freehold title involves the Town of Port Hedland relinquishing ownership of the underlying Lot, diminishing the size and control of the Town's landholdings.

Ground lease involves the lessee obtaining exclusive use of the Lot for an up front price, or a combination of an up front price and an annual ground rental, however the lessee (BHPB) will be in control of the development. The Town will remain the underlying owner of the Lot, albeit with limited rights and access to the Lot during the lease period.

(ii) Extent

The extent of the change from sale to lease will impact solely on Lot 34 in relation to the proposal detailed in the business plan.

(iii) Affect

The affect of the change from sale to lease is deemed to be significant on the basis that disposal by way of lease will result in the Town remaining the underlying owners of Lot 34.

There may be an additional impact in relation to the potential financial return over a ten year period should the method of disposal change, either negatively or positively.

DCA has concluded that this change would be deemed to be significantly different.

(b) Overall Proposal in Business Plan

(i) Intent

The intent is to change the disposal method of Lot 34 from sale to lease.

Sale of freehold title involves the Town of Port Hedland relinquishing ownership of the underlying Lot, diminishing the size and control of the Town's landholdings.

Ground lease involves the lessee obtaining exclusive use of the Lot for an up front price, or a combination of an up front price and an annual ground rental, however the lessee (BHPB) will be in control of the development. The Town will remain the underlying owner of the Lot, albeit with limited rights and access to the Lot during the lease period.

(ii) Extent

The extent of the change from sale to lease will impact only Lot 34, being only 1 of 39 lots being developed within the business plan. In context of area, Lot 34 represents 100,000m² of a total area of 1,829,458m² to be developed, which represents 5.5% of the land area to be developed.

(iii) Affect

The assumption used in preparation of the projected financial benefits, detailed on Page 19 of the business plan, is that lot sizes smaller than 1ha will be sold, and lot sizes in excess of 1ha will be leased.

The change in disposal method involves only 1 lot, being Lot 34, which represents only 2.5% of the properties.

There may be an additional impact in relation to the potential financial return over a ten year period should the method of disposal change, either negatively or positively. Depending on the magnitude of this impact, this may have a significant affect of the financial projections.

DCA has concluded that a further assessment of the financial impacts resulting from the change of disposal method from sale to lease for Lot 34 needs to be undertaken before an assessment of significantly different could be performed.

(II) Development of Lots for TWA Facilities

The major concerns and issues raised in submissions that directly affect the proposal contained in the business plan are as follows:

(a) The proposed use of the facility after the expiry of the lease.

(i) Intent

It is not clear in the business plan as to whether the facilities will revert to the Town of Port Hedland, or whether BHPB will be required to return the land to its natural state, or a negotiated position somewhere in between these two options.

It is our understanding from Town of Port Hedland current planning documents, the medium to long term development aim for the land is to revert it back to Industrial/Commercial purposes.

(ii) Extent

The extent is no change to the proposal, as it is the objective of the Town to ensure that the land reverts back to Industrial/Commercial purposes in the medium to longer term.

(iii) Affect

The proposed use of the facility after the expiry of the lease is an important issue and should be addressed in the ground lease agreement, but does not affect the proposal in the business plan.

DCA has concluded that any changes to address this issue would be insignificant.

(b) The length of term of the lease, potentially having a life period of 25 years if all extension options are exercised.

(i) Intent

The business plan currently provides for an initial 10 year lease, with 3 options of 5 year extensions, providing for the potential of a 25 year lease time period.

The business plan modelling only considers the financial effects for the initial 10 year term (as detailed on Page 19).

Any alteration to the terms of the ground lease (such as reducing the options for extension) may have the potential to impact on the total financial consideration paid by BHPB for the lease of the land. Whilst the Paxon Group have prepared a number of options in its commercial viability study, it is noted that the business plan only incorporates a 10 year financial model (as detailed on Page 19) ,and therefore any financial impacts would be beyond the 10 year financial projections contained in the business plan. The final terms and conditions of the lease would be subject to negotiation between the Town and BHPB.

(ii) Extent

The extent is to reduce one or more options for extension that are currently proposed within the business plan.

(iii) Affect

A reduction in one or more options for extension will have no impact on the assumptions and projections detailed in the business plan, as it only examines the impacts for the initial 10 year term.

However, a reduction in one or more options for extension may adversely impact on the financial viability or attractiveness of the investment proposal for BHPB.

DCA has concluded that, for the initial 10 year lease term, the change would be deemed to NOT be significantly different.

(c) A 6,000 TWA bed facility is considered to be too large and could have a negative impact on existing service providers.

(i) Intent

The business plan provides for a TWA facility with the capacity for up to 6,000 beds.

BHPB proposes to build 2,000 beds by 2013-14 in stage 1, with further development to proceed in two stages leading to a total number of 6,000 persons on site by 2016-17.

The intent of the change would be to reduce the number of beds available at the facility.

(ii) Extent

The extent of the change would be to limit the bed capacity of the TWA facility.

(iii) Affect

The affect of such a change would impact on the viability of undertaking the TWA facility and may result in a reduced land area requirement, giving a lower ground rental yield.

Furthermore this could impact on the overall viability of the major land transaction proposal.

DCA has concluded that any change to the capacity of the facility would require further information and analysis to ascertain if the financial impacts of the change resulted in a proposal that is significantly different from that which was advertised.

(d) There is no mechanism to limit the TWA to its intended use.

(i) Intent

The business plan provides that prior to BHPB exercising their rights to take up any of the 5 year options, BHPB must demonstrate to the Council of the day that the TWA facility is required for their construction workforce only.

The intent is to limit the TWA facility for use by BHPB construction workers only, and not made available for the permanent operational workforce.

(ii) Extent

The extent is to limit the use of the TWA facility to its intended use, being for the BHPB construction workforce only.

(iii) Affect

The business plan details that the TWA facility is to be used only for BHPB's construction workforce, therefore any mechanisms introduced will have no affect of the overall intent of the proposal contained in the business plan. The introduction of planning mechanisms to limit the TWA facility to its intended use will assist the Town with its planning compliance function.

DCA has concluded that the introduction of mechanisms to limit the TWA facility to its intended use would result in a proposal that is NOT significantly different.

(e) The need for a social impact assessment to be prepared examining the potential impacts of the proposed TWA facility.

(i) Intent

The business plan provides for the establishment of a Community Integration Committee that will investigate and oversee all activities to minimise the negative impacts of the proposed TWA facility and to maximise community and business integration opportunities. BHPB will provide \$200,000 towards integration and development studies for this committee. A community and small business integration strategy will be commissioned after the initial BHPB TWA development of 2,000 construction workers, and prior to commissioning of additional stages of development within the BHPB TWA.

The intent is to have a Social Impact Assessment conducted before the TWA facility is developed.

(ii) Extent

The extent of the change is to require a Social Impact Assessment to be prepared before the major land transaction proceeds.

Advice received from the Town of Port Hedland is that the State Agreement with BHPB for the Outer Harbour expansion will require the preparation of a Social Impact Assessment and Local Content Plan.

(iii) Affect

The business plan details that a study will be prepared to examine the impact of the proposed TWA facility and endeavour to maximise community and business integration opportunities.

DCA believes that the business plan addresses the issue identified, the only matter in question is the timing of when the study should take place.

DCA has concluded that the timing of a Social Impact Assessment/Study of the TWA facility would result in a proposal that is NOT significantly different.

- (f) No traffic modelling prepared to measure the impact of increased vehicle movements (passenger and heavy vehicles) on Great Northern Highway as a result of the construction of the proposed TWA facility.

This matter does not require an assessment of significantly different on the basis that an assessment of the subdivision application will determine conditions to be imposed on the development, of which a Traffic Management Study could be one.

3. Section 3.59(5) and (6) enables the Town of Port Hedland to proceed with the major land transaction, without modification, after giving consideration to submissions received; or it may proceed with the major land transaction on the basis that any changes to the proposal are not significantly different, as illustrated above.

The responsibility for assessing whether a potential change from what was proposed in the business plan is a significant change rests with the local government. It is important that the Town of Port Hedland document its reasons as to whether it deems a change to the proposal as significant or not.

4. It is the opinion of Dominic Carbone and Associates that should the Town of Port Hedland resolve to:

(a) change the method of disposal for Lot 34 from sale to lease; and/or

(b) limit the bed capacity of the TWA facility;

the financial impacts of either of these changes may result in a proposal that is significantly different from that which was advertised.

1.0 INTRODUCTION

1.1 PURPOSE OF REPORT

Dominic Carbone and Associates were appointed by the Town of Port Hedland to prepare a report in response to public submissions that may be received in relation to a business plan - “A Proposal By The Town of Port Hedland To Enter Into A Major Land Transaction Via Public Treaty With BHP Billiton Iron Ore For The Development Of Precinct 3 At The Port Hedland International Airport”.

The scope of works involved the drafting of a report in relation to providing responses and/or comments on submissions received, on whether the business plan requires amendment, and whether such amendment is considered a significant change to the Plan.

1.2 BACKGROUND

1.2.1 General

The Town of Port Hedland prepared a business plan in accordance with Section 3.59 of the Local Government Act 1995 to enter into a major land transaction. As part of the business plan, the Town proposes to dispose of property; namely the proposed newly created lots 34 and 35 to BHP Billiton. As the Business Plan addresses the requirements of Regulation 30 (2a)(c) of the Local Government (Functions and General) Regulations 1996, the Town of Port Hedland is exempt from the provisions of Section 3.58 of the Local Government Act 1995 in relation to the disposition of property.

The Town of Port Hedland (ToPH) will enter into an exclusive private treaty arrangement to ‘undertake a major land transaction with BHP Billiton (BHPB). The agreement will facilitate the following:

- Subdivision of portion of “Precinct 3” by BHPB to create 40 lots. 39 of which will be serviced lots, with 38 retained by the ToPH (the balance lot will not be serviced and will be incorporated into the rest of the Airport Land).
- The Lease of proposed lot 35 to BHPB to facilitate the development of a 6,000 bed TWA (Transient Workforce Accommodation) facility for a construction workforce.
- The sale of proposed Lot 34 to BHPB for a warehouse facility.

- Newly created lots to be used for bulky goods, light industrial and commercial uses, with four (4) additional TWA sites which may be used for non-resource related projects.
- Balance lot - future investigations to be undertaken to develop options for key worker housing.

The subject land is located on the Great Northern Highway, approximately 13 kilometres south of Port Hedland townsite, adjoining the south-west side of the Port Hedland International Airport (PHIA). It was acquired by the ToPH from the Commonwealth Government. The site is currently zoned “Airport” under the TOPH Town Planning Scheme No. 5 (TPS 5) and the development of a TWA facility is a permitted use subject to Council approval. The ToPH has also initiated an amendment to TPS 5 to allow for the additional use of industrial/commercial.

1.2.2 Pilbara Port City Growth Plan (PPCGP)

The Town of Port Hedland has prepared a draft Pilbara’s Port City Growth Plan (PPCGP), which has been released for public comment. The introduction of the PPCGP¹ provides the following-

The underlying direction and vision for the PPCGP has been determined at both local and state government levels. Importantly, the Town of Port Hedland’s (ToPH) aspirations have been well articulated in key strategic documents such as the Port Hedland Land Use Master Plan; Strategic Plan 2010-2015; Hedland’s Future Today 2010; as well as the Port Hedland Land Availability Plan and Housing Capacity Study. Similarly, under the Pilbara Cities framework, the State Government has previously announced its vision to revitalise Pilbara towns, including developing Port Hedland as “Pilbara’s Port City”.

The PPCGP will see the town become a regional city and realise the Pilbara Cities vision. The PPCGP is aimed at addressing underlying social, economic and environmental issues in a defined area to achieve a ‘sustainable city’ where increased economic diversity, more private and public sector investment and improved infrastructure coordination are priorities linked to improving quality of life and vitality of the Town.

The PPCGP is not exclusively a land use planning strategy; it takes into account both spatial and non-spatial challenges to the expansion of Port Hedland into a sustainable city. The City Growth Plan identifies where a population of up to 50,000 can reasonably be accommodated, what additional civil infrastructure and transport services are required, how community aspirations can be accommodated and how the environment, indigenous and non- indigenous heritage should be protected and celebrated.

The PPCGP comprises two components - a City Growth Plan and a City Implementation Plan. An overarching Sustainability Assessment has also been undertaken.

¹ Pilbara’s Port City Growth Plan sourced from <http://www.porthedland.wa.gov.au/CouncilInitiative/pilbaras-port-city-growth-plan/>

The PPCGP is divided into 6 sections:

1. Introduction
2. Vision for Pilbara's Port City (including 5 themes)
3. Challenges and Opportunities for Growth
4. City Growth Scenarios
5. City Growth Strategy (including strategies across 5 themes and precinct plans).
6. Summary and Implementation (summary/guide to second document)

Section 5.0 of the Plan provides a growth strategy for the ToPH, which is broken down into 16 precincts. The PPCGP² provides the following in relation to Precincts:

Each precinct has its own place within Pilbara's Port City, its urban or industrial character and therefore the influences that will shape its development. Ultimately, work will be required to see development in these areas take place, including local level structure planning and detailed site planning. Variations to the precinct plans in the way our city grows will occur as new opportunities and challenges are faced, but importantly, the Growth Plan provides this framework for expansion and planning.

Precinct 7 (which includes Precinct 3 detailed in the business plan) incorporates the development of the 'Airport and surrounds'. Key development opportunities identified in Precinct 7 include:

1. Highway Commercial/Light Industrial.
2. Facilitate short term development of Construction Workforce, and in responding to demand:
 - (a) To consolidate existing area on Great Northern Highway and deliver legacy infrastructure.
 - (b) To facilitate development progression within a defined area of Light Industry precinct.

Section 6.0 of the Plan provides further details on the purpose and objectives of the Implementation Plan, which is currently being prepared. The Implementation Plan will need to be read in conjunction with the PPCGP. Section 6.0 also examines a series of 'Quick Wins', or projects that can be progressed immediately (0-2 years), including three identified within Precinct 7:

1. TWA developments for construction workforce (performance based ensuring limited lifetime on TWA).

² Page 94 of Pilbara's Port City Growth Plan

2. Expansion of Airport.
3. Development of Industrial and Commercial land.

1.2.3 Port Hedland International Airport Master Plan (Revision 2.2)³

The following has been directly extracted from the Port Hedland International Airport Master Plan.

The Port Hedland International Airport (PHIA) is located between the settlements of Port Hedland and South Hedland, on over 900ha of land that is predominantly owned by the Town of Port Hedland ToPH).

Increased development pressure with the townsites in recent years, due a number of factors, has provided the impetus to develop airport land, which is largely vacant with the exception of airport infrastructure and related commercial use around the terminal. The requirement for a preparation of the Master Plan was therefore determined to ensure that development of any land within the airport occurs on a planned, orderly and rational basis.

The Master Plan is divided into logical Precincts that are defined by both geography and preferred land use. There are four land use precincts, which have been identified as having subdivision and land use potential, and a fifth 'airport' precinct, which contains existing airport land uses – no Master Plan has been prepared for this last precinct. The four land use precincts are identified as follows:

1. *Precinct 1 – Terminal Precinct*

Precinct 1 is the most developed component of the Airport and includes a variety of existing land uses. Most are directly or incidentally related to the function of the runway and terminal uses, and include car hire, terminal services, Royal Flying Doctor Service and Bureau of Meteorology, as well as freight and General Aviation.

2. *Precinct 2 – Eastern Precinct*

Precinct 2 has been predominantly developed with two Transient Workforce Accommodation developments; Auzcorp's Mia Mia site, and the 2000+ person Port Haven site. ASA's navigation and communications infrastructure is also located within this precinct, consisting of the NDB and a High Frequency Radio Antenna Array. The State Emergency Service depot is also located within the precinct, to the south-east of the Mia Mia encampment.

Development within this precinct must recognise existing land uses to ensure that conflicts are minimised. Additionally, it is recommended that long term use of the land is embargoed to ensure that any long term requirement for the use of this land for airport

³ Port Hedland International Airport Master Plan, published by Town of Port Hedland, September 2010.

related uses can be pursued. Accordingly, it is recommended that this land, even if subdivided, should be leased, and not sold to developers. This will ensure that the land is protected for the long term.

3. Precinct 3 – South Western Precinct

Precinct three, while constrained by height limits from DVOR and DME infrastructure [see Section 3.4], has significant potential for subdivision and development. This precinct can yield over 250 lots, ranging in size from 2,000 square metres to over 20 hectares. Restrictions to land uses will be required to ensure that the operating parameters of the DVOE and DME are not detrimentally affected. This is discussed further in Section 7 of the Airport Master Plan.

Subdivision of this precinct will require access from GNH. Limited points are available to access the ToPH land due to UCL lot 253 and the cemetery site consuming the majority of the frontage to GNH. As a result only one location for access is available, situated on the northern side of the ToPH cemetery.

The subdivision of Precinct 3 is a logical expansion of the Wedgefield Industrial Area and the TDZ currently being planned for by LandCorp. Additionally, the presence of the runways and railway lines further limit the potential for this land to be developed for anything other than Industrial purposes.

The existing ToPH Incinerator and ASA Fire Training Module currently located within this precinct will be required to be relocated. These pieces of Infrastructure are not considered to be significant, and alternative locations should be able to be readily identified. Given that Precinct 4 is constrained by access and hydrology issues, these may be able to be relocated to this precinct, although other suitable locations should be able to be readily determined.

Logical use and development of this land is to extend and integrate industrial and transport uses, both existing within the adjacent Wedgefield Industrial Area as well as proposed as part of LandCorp's TDZ [providing specifically for transport laydown, vehicle break down and storage areas]. The expansion of industrial uses into this land was also identified within the Airport LUMP (Land Use Master Plan).

The substantial available developable land area of Precinct 3 presents the potential to provide for a considerable range of lot sizes that cannot be provided in other areas of the township capable of being developed for Industrial land use purposes. Significantly, it can provide for larger lots in the range of 10 to 20 hectares should market demand require.

However, land uses within this precinct, specifically those with the ToPH land, will be constrained by heights restrictions, as identified in Section 3.4 of the Airport Master Plan. Detailed analysis in this regard should be undertaken by, or in conjunction with, CASA and ASA, to ensure the necessary land use controls are implemented – discussed further in Section 7 of the Airport Master Plan.

4. Precinct 4 – North Western Precinct

The North Western Precinct is located at the junction of Great Northern Highway (GNH) and Port Hedland Road. This precinct is bounded by the GNH, which effectively 'wraps' around the precinct, and both runways. This land has some clear physical characteristics [discussed

in detail in Section 3.5 of the Airport Master Plan] that result in the land likely being subject to inundation. Combined with buffers and access issues due to its locational constraints, this Precinct is the most prohibited for development potential.

1.3 METHODOLOGY

The following methodology was adopted in preparing this Report:

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2.0 COMPLIANCE WITH LEGISLATIVE OBLIGATIONS

The following checklist has been compiled to provide an assessment as to whether the ToPH has complied with legislative requirements as per the Local Government Act 1995 and its Regulations.

Section/ Clause	Legislation	Compliance			Comment
		Yes	No	N/A	
3.59(2)(b)	Before it enters into a major land transaction a local government is to prepare a business plan.	<input checked="" type="checkbox"/>			
3.59 (3)	The business plan is to include an overall assessment of the major land transaction and is to include details of : (a) Its expected effect on the provision of facilities and services by the Local Government. (b) Its expected effect on other persons providing facilities and services in the district. (c) Its expected financial effect on the local government. (d) Its expected effect on matters referred to in the local government's current plan prepared under section 5.56. <i>5.56 (1) A Local Government is to plan for the future of the district.</i> (e) The ability of the local government to manage the undertaking or performance of the transaction.	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/> <input checked="" type="checkbox"/>			Refer to 4.3 of the Business Plan. Refer to 4.4 of the Business Plan. Refer to 4.5 of the Business Plan. Refer to 4.6 of the Business Plan. Refer to 4.7 of the Business Plan.

Section/ Clause	Legislation	Compliance			Comment
		Yes	No	N/A	
	Local Government Act 1995				
3.59(4)(a)	(i) The local government is to give state wide public notice. (ii) A copy of the business plan may be inspected or obtained at any place specified in the notice. (iii) Submissions may be made to the local government before a day specified in the notice not less than 6 weeks.	<input checked="" type="checkbox"/>			Advert placed in West Australian Newspaper on Wednesday 16 November 2011. The business plan was available on the ToPH website from 12 November 2011. Copy of the Business Plan was available at the Town of Port Hedland Administration Centre, Port Hedland and South Hedland libraries and on its website. The formal submission period was for 43 days from Wednesday 16 th November to Wednesday 28 th December 2011.
3.59 (4)(b)	The local government is to make a copy of the business plan available for public inspection in accordance with the notice. <i>Notice is referring to the notice given under 3.59(4)(a) above.</i>	<input checked="" type="checkbox"/>			Copy of the Business Plan was available at the Town of Port Hedland Administration Centre, Port Hedland and South Hedland libraries and on its website.
3.59(5)	After the last day of submissions the local government is to consider submissions made decide to proceed with the undertaking or transaction as proposed or as that it is not significantly different from what was proposed.	<input checked="" type="checkbox"/>			The Council will formally consider submissions received on 11 th January 2011. Council may decide to proceed with the proposal with or without modification.
3.59(5a)	A notice under subsection (4) is also to be published and exhibited as if it were a local public notice	<input checked="" type="checkbox"/>			Advert placed in North West Telegraph on 16 November 2011 and placed on all notice boards on 14 November 2011.
3.59 (6)	If a local government wishes to commence an undertaking or transaction that is significantly different from what was proposed it can only do so after it has complied with this section in respect of its new proposal.			<input checked="" type="checkbox"/>	
3.59(9)	A local government can enter into an agreement or do anything else, as a result of which a land transaction would become a major land transaction if it has complied with the requirements of this section that apply to entering into a major land transaction.			<input checked="" type="checkbox"/>	
3.58(1)	“dispose” includes sell, lease or otherwise dispose of, whether absolutely or not. “property” includes the whole or any part of the interest of a local government in property but does not include money.	<input checked="" type="checkbox"/>			

Section/ Clause	Legislation	Compliance			Comment
		Yes	No	N/A	
	Local Government Act 1995				
3.58 (2)	Except as stated in this section a local government can only dispose of property to: (a) The highest bidder at public auction. (b) The person who at a public tender called by the local government makes what is in the opinion of the local government the most acceptable tender.			<input checked="" type="checkbox"/>	
3.58(3)	A local government can dispose of property other than subsection (2) if, before agreeing to dispose of the property: (a) It gives local public notice of the proposed disposition. (i) Describing the property concerned (ii) Giving details of the proposed disposition (iii) Inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks of the notice is first given. (b) It considers submissions made to it before the date specified in a notice and if its decision is made by the Council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.			<input checked="" type="checkbox"/>	Refer to Regulation 30 of the Local Government (Functions and General) Regulations - exempts the Local Government from having to comply with this section if it has compiled a business plan under Section 3.59.
3.58(4)	The details of a proposed disposition that are required by subsection (3)(a)(ii). (a) The names of all other parties. (b) The consideration to be received by the local government for the disposition. (c) The market value of the disposition as ascertained by a valuation carried out not more than 6 months before the proposed disposition.	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>	Refer to Clause 30 of the Local Government (Functions and General) Regulations exempts the Local Government from having to comply with this section. Valuation undertaken by David Liggins dated September 2011.

Section/ Clause	Legislation	Compliance			Comment
	Local Government (Functions and General) Regulations 1996	Yes	No	N/A	
8A	<p>Major land transactions and exempt land transactions – S3.59.</p> <p>(1)(a) If the land transaction is entered into by a local government the district of which is in the metropolitan area or a major regional centre, the amount is the lesser of –</p> <p>(i) \$10,000,000</p> <p>(ii) 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year.</p> <p>(1)(b) If the land transaction is entered into by any other local government, the amount that is the lesser of –</p> <p>(i) \$2,000,000</p> <p>(ii) 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year.</p>	<input checked="" type="checkbox"/>			The proposal detailed in the business plan exceeds the limits set in the regulation 8A(1)(b).
7	<p>(1) Major regional centre means a local government the district of which.</p> <p>(a) Is not in the metropolitan area.</p> <p>(b) Has more than 20,000 inhabitants.</p> <p>(2) Section 2.4 (6) of the Act applies to determine the number of inhabitants of a district for the purposes of the definition of major regional centre.</p>			<input checked="" type="checkbox"/>	
8	<p>Transactions that cannot be major land transactions.</p> <p>(1) A land transaction is an exempt land transaction for the purpose of section 3.59 of the Act if the local government enters into it.</p> <p>(a) Without intending to produce a profit to itself and</p> <p>(b) Without intending that another person will be sold or given joint or exclusive use of, all or any of the land involved in the transaction.</p>			<input checked="" type="checkbox"/>	

Section/ Clause	Legislation	Compliance			Comment
		Yes	No	N/A	
	Local Government Act 1995				
10	<p>Other matters of which details to be given in a business plan.</p> <p>(1) If a local government is required to prepare a business plan because of a major trading undertaking or major land transaction that is to carry on or enter into jointly with another person.</p> <p>(a) The business plan is to include details of the whole undertaking or transaction even though the local government is not the only joint venturer.</p> <p>(b) The business plan is to include details of –</p> <p>(i) The identity of each joint venturer other than the local government.</p> <p>(ii) The ownership of, and any other interests in property that is involved in, or acquired in the course of, the joint venture.</p> <p>(iii) Any benefit to which a joint venturer other than the local government may become entitled under or as a result of the joint venture.</p> <p>(iv) Anything to which the local government may become liable.</p>			<input type="checkbox"/> <input checked="checked" type="checkbox"/> <input checked="checked" type="checkbox"/>	ToPH sought legal advice, which confirms that the proposal is not a joint venture.
30	<p>Dispositions of property to which section 3.58 of the Act does not apply.</p> <p>(1) A disposition that is described in this regulation as an exempt disposition is excluded from the application of section 3.58 of the Act.</p> <p>(2a) A disposition of property is an exempt disposition if the property is disposed of within 6 months after it has been –</p> <p>(c) the subject of Statewide public notice under section 3.59(4) of the Act, and if the business plan referred to in that notice described the property concerned and gave details of the proposed disposition including:</p> <p>(i) The names of all other parties concerned.</p> <p>(ii) The consideration to be received by the local government for the disposition and</p> <p>(iii) The market value of the disposition as ascertained by a valuation carried out not more than 12 months before the proposed disposition.</p>	<input checked="checked" type="checkbox"/> <input checked="checked" type="checkbox"/>			

3.0 DEFINITION OF SIGNIFICANTLY DIFFERENT

Section 3.59 (5) of the Local Government Act 1995 states:

“After the last day for submissions, the local government is to consider any submissions made and may decide to proceed with the undertaking or transaction as proposed or so that it is not significantly different from what was proposed.”

(A decision of Council requires an absolute majority.)

The local Government Act 1995 does not define “significantly different”, however a local government could consider any change to the proposal in terms of its intent, extent and affect.

The meaning of the terms⁴ stated above are as follows:-

significantly	-	considerably, markedly
different	-	not the same
intent	-	purpose, aim
extent	-	scope, size or scale
affect	-	change in

The responsibility for initially assessing whether a potential change from what was proposed in the business plan is a significant change rests with the relevant local government body and involves a degree of judgement. In making a determination, the local government should consider the following:

- Has the change affected material issues?
- Has the change affected a significant proportion of the area covered by the proposal?
- Has the change affected a significant proportion of landowners?
- Has the change affected a matter that is of widespread public interest throughout the local government district?
- Has the change altered the level of assessment from that released for public consultation?
- Whether the proposal is quite different to that which was released for public consultation?

It's important that a local government document its reasoning so that its assessment of significantly different is defensible and can withstand scrutiny.

⁴ Definitions obtained from 'Statutory Guide, published by Queensland Department of Infrastructure and Planning, 25 November 2009.

4.0 SUBMISSIONS

4.1 DETAILS OF SUBMISSIONS

The relevant text of all submissions received has been incorporated in this Report on a verbatim basis, inclusive of spelling and grammatical construct errors. The following submissions were received.

Name	Matters Raised	Comment
<p>Paul Brereton P.O. Box 2629 South Hedland WA Email: paulemail@westnet.com.au</p>	<p>(1) Proposal contains material that needs to be reviewed and assessed by local stakeholders. (2) Timing of release is deemed to be inappropriate. (3) Closing period for submissions be extended. (4) The Town of Port Hedland chose the minimum submission period of 6 weeks as per section 3.59 (4)(a)(iii).</p> <p>Questions –</p> <p>Can the submission closing time in regard to “Business Plan for the re-development of Precinct 3” be extended to Tuesday 31 January 2012?</p> <p>Can the Town of Port Hedland please release a detailed “map” for the proposal, outlining precinct 3 and it’s locality to other town infrastructure?</p>	<p>The following response was provided to Mr Brereton:</p> <p><i>“The Town has complied with the requirements as set out in the Local Government Act 1995 in relation to the public submission period. The submission period determined by the Town is from Saturday 12 November to Wednesday 28 December 2011 or 47 days, the minimum period is 42 days. It is not proposed to further extend the period.</i></p> <p><i>I have requested a detailed map from the Town and once it’s available will be forwarded to you. I have attached an aerial map sourced from Google maps for your information and assistance.”</i></p> <p>Additional maps supplied by the Town were subsequently supplied.</p>

Name	Matters Raised	Comment
<p>Brendan Foley</p> <p>172 Sixth Avenue, Inglewood WA 6052</p> <p>Email: sleek_1988@hotmail.com</p>	<p>A. Potential Practical Problems</p> <p>A1. Many of the community's concerns surrounding TWA's seem to stem from a long history of such uses being located in isolation from existing communities which seem to have created social and physical barriers to the workers from spending their free time and money in the local community. Reflecting this is the widely known opinion in the wider Port Hedland community that transient workers seem to see the town as their own personal ATM machine, they come to the town, make their money and leave without ever spending a cent of their money or a second of their time adding value to the community.</p> <p>A2. This is not a recent concern of the community, the Council even created a guidance note to TWA developers to alleviate some of these concerns within the community. It seems however, that the Council has been blinded by the millions of dollars on offer by BHP, so much so that officers seem to have lost focus on the bigger picture and have absolutely failed to assess the suitability of such a location for such a large development.</p> <p>A3. TWA's are meant to be temporary and for construction workforces only, not for permanent residential or workforce accommodation. The meaning of TWA in the advertised documents has been totally manipulated in this instance, 10 years (or 15, 20 or 25 years with exercisable options) should in no way be considered a temporary land use, it is a small town and should be assessed as such (i.e. Not suitable for the location.)</p>	<p>A1. BHPB has proposed establishing a Community Integration Committee that will investigate and oversee all activities to minimise the negative impacts of the proposed TWA facility and to maximise community and business integration opportunities. With the assistance of the ToPH, a community and small business integration strategy will be commissioned after the initial BHPB TWA development of 2,000 construction workers, and prior to the commissioning of additional stages of the TWA.</p> <p>The Draft Port City Growth Plan, identifies one of the "Quick Wins" for the subject area as being:</p> <ul style="list-style-type: none"> - TWA developments for construction workforce (performance based ensuring limited lifetime on TWA) <p>The Pilbara Port City Growth Plan is still in draft form, however it is our understanding that the Plan has been subject to community consultation and no objections were received in regards to TWA developments within Precinct 7.</p> <p>A2. The TWA is required to accommodate the construction workforce necessary to complete major projects within the town. Key principles to guide TWA developments have been incorporated into the 'Guidance Note for Transient Workers Accommodation adopted by Council in August 2008.</p>

Name	Matters Raised	Comment
<p>Brendan Foley 172 Sixth Avenue, Inglewood WA 6052</p> <p>Email: sleek_1988@hotmail.com</p>	<p>Similarly, the sheer scale and financial outlay for each stage of the development is so large that it would be illogical to argue that the 'TWA' as proposed is intended to be temporary.</p> <p>A4. I fully support BHPB's proposal to subdivide the industrial area into industrial lots on behalf of the Council and retain some lots at the end in recognition of this significant outlay.</p> <p>A5. I also fully support the use of funds derived from the subdivision and lease of the land to upgrade the Airport, this facility is in need of upgrading and redevelopment.</p> <p>A6. I also supports BHPB's ambitious project to house up to 6000 temporary construction workers within the town, however I strongly oppose the location of such a large permanent development for a number of reasons as follows:</p> <ul style="list-style-type: none"> i. It is isolated from town and its scale will mean that workers may never spend a cent in the wider community. ii. The location of the proposed development is totally inappropriate for 2 main health reasons: <ul style="list-style-type: none"> ▪ Construction workers will work up to 12 hr shifts, the noisy location next to the airport is a major health concern to these workers and should be a major consideration of BHPB and the Town. ▪ The location of the TWA's is close to the heavy industrial area and airport pollution will inevitably affect the health of workers. <p>A7. TWA accommodation is meant to be temporary and for construction workforce only, this is clearly not the case in this proposed development, 10-25 years of occupation is in no way temporary, 4 storey + developments are in no way temporary.</p>	<p>A4. The current 'Airport' zoning permits the proposed use on this land.</p> <p>A5. The Plan for the Future states "Immediate Priorities" – complete the development of the airport development plan and commence the implementation of the key initiatives that are identified.</p> <p>A6. Under the Airport zoning, a TWA is an 'AA' land use, meaning that this style of development can be approved with the consent of the Council. It is acknowledged there will be noise emanating from the operational area of the airport. To mitigate this acoustics certification will be required to be submitted together with the Building Licence. To demonstrate compliance noise modelling should be undertaken to show expected noise levels at closest sensitive receptors.</p> <p>The Port Hedland International Airport Land Use Master Plan identifies Precinct 3 for inter alia light industry and bulky goods retail (Big Box Retail). Heavy Industrial (General Industry) is an "IP" use within the "Airport" zone, requiring such use to be incidental to a main use. It is anticipated that there will not be a high demand for "Industry Light", as a result of the recent and planned release by LandCorp in the short to medium term. It is anticipated that the lots identified for bulky goods retail will be developed in the medium to long term. This use has proven to be compatible with residential type development and is evident in South Hedland, where a bulky goods retailer is located directly adjacent to a residential area.</p>

Name	Matters Raised	Comment
<p>Brendan Foley</p> <p>172 Sixth Avenue, Inglewood WA 6052</p> <p>Email: sleek_1988@hotmail.com</p>	<p>A8. The extremely high cost (estimated at \$900 million (AEC Group)) of constructing so many rooms will be an absolute waste of money if these have to be removed at the completion of the lease or when construction of the outer harbour is complete. There are so many more suitable locations, particularly in South Hedland, which would allow long term transition of any proposed development to multiple dwelling residential while at the same time these locations would significantly allow for higher densities in close proximity to existing facilities, businesses and community infrastructure adding long term value to the town.</p> <p>A9. Many suitable locations for such a development have already been identified in the city's growth plan, some that come to mind that would be most suitable for a comprehensively designed accommodation village suited to long term transition to residential would be the land to the south of the South Hedland Town Centre, or land to the West of North Circular Road (both UCL). A comprehensive design of these sites would not compromise the accommodation aspirations of BHPB, but would add significant value to the wider community instead of having the money literally fly out the door.</p> <p>A10. There seem to be absolutely no protection in place to ensure that the 'TWA' development is only used to accommodate construction workers for the proposed outer harbour. The condition of lease renewal to the satisfaction of the Council is wholly inadequate to achieve any protection by the Council against such activities. If BHPB construct the proposed accommodation, but then offer some or all of the rooms as general accommodation this will absolutely devastate existing service providers who have spent significant time and money developing their sites in appropriate parts of the town and who have been and will continue to provide then offer some or all of the rooms as general accommodation this will absolutely devastate existing service providers who have spent significant time and money developing their sites in appropriate parts of the town and who have been and will continue to provide opportunity for workers to interact and add value to the community.</p>	

Name	Matters Raised	Comment
<p>Brendan Foley</p> <p>172 Sixth Avenue, Inglewood WA 6052</p> <p>Email: sleek_1988@hotmail.com</p>	<p>A11. Where has the assumption of the need for 6000 additional beds actually come from? Has the city seen this modelling?</p> <p>A12. Once the proposed outer harbour development has been completed then what will the development be used for?</p> <p>A13. The balance lot in the proposed subdivision has been identified as future workers accommodation, this completely lacks vision and foresight as the location is also not suitable for such development based on same arguments as raised above.</p> <p>A14. The economic model used to predict benefit assumes increases of population in increments of 2000/2000/2000 to a max of 6000, where has this assumption come from and how does this compare to what is actually required under specific outer harbour construction workforce modelling?</p> <p>A15. How must BHPB demonstrate that they are using the development for construction workforce only to the Council of the day? (as required for lease renewal) and what happens if they break this agreement? Is the lease void, and if so who would retain control of the poorly located accommodation?</p> <p>A16. The documents as advertise blindly assume the WAPC will approve the subdivision in its current form, this is absolutely ridiculous and it is clear that whoever drew up the plan has little concept of the practical difficulties in developing in the area, particularly lack of drainage is most frightening, this shows total lack of foresight and strategic planning assessment by the Council.</p> <p>A17. The advertised documents promote that there will be 4 additional TWA sites, these will also be poorly located and would be much better adjacent to existing urban areas and designed for long term conversion into residential rather than been isolated in a noisy, polluted area of town.</p>	<p>A11. The draft Pilbara Port City Growth Plan (PPCGP) details the need for up to 7,000 TWA beds, based on modelling prepared by AEC Group and RPS in 2011.</p> <p>A12. The business plan does not detail what will happen to the development. ToPH planning documents detail that ultimately the land will revert to Commercial/Industrial use.</p> <p>A13. The balance lot, being approx. 26.7ha will remain unserviced and the ToPH will investigate options to utilise the land for key worker housing in the future.</p> <p>A14. For economic modelling purposes it has been assumed that the initial stage of the BHPB TWA facility will house approx. 2,000 construction workers by 2013-14. Additional stages of the facility will be developed over 3-4 years to house a maximum 6,000 workers by 2016-17.</p> <p>A15. Conditions relating to development compliance limiting the facility to its intended use will be detailed in the Planning Consent issued to BHPB and also referenced in the lease agreement between Council and BHPB for proposed Lot 35.</p> <p>A16. The ToPH will submit a subdivision application to WAPC for assessment, as WAPC is the approving authority in relation to subdivision applications. The WAPC will assess the application in relation to all development requirements for the land. It is further noted that the Port Hedland International Airport Land Use Master Plan addresses the Hydrology and Drainage impacts and other issues on Precinct 3 (which forms part of Precinct 7 in the PPCGP).</p>

Name	Matters Raised	Comment
<p>Brendan Foley</p> <p>172 Sixth Avenue, Inglewood WA 6052</p> <p>Email: sleek_1988@hotmail.com</p>	<p>A18. What will be the purpose of the additional TWA site's, and what control's will be in place to ensure these are used for construction workforces only, if you want to house 7000+ workers within the town they should be housed in appropriate locations.</p> <p>A19. The town should not state (as they have in the advertised documents) that the balance lot will not be serviced. Subdivision is a power of the WAPC and any suggestion that the town has this power may constitute negligent misrepresentation, which may leave the Council open to litigation down the line.</p> <p>A20. Similarly, any suggestion that BHPB will only have to pay for upgrades directly related to immediate traffic demand created by the development, as promoted by the advertised documents, may also constitute negligent misrepresentation as the WAPC is the decision maker, not the Council.</p> <p>A21. Again, it is not up to the town to impose conditions of subdivision, therefore any suggestion that BHPB will only have to construct a fence along the boundary with the airport may also constitute negligent misrepresentation.</p> <p>A22. Under 5.4.1 of the Growth Plan it says 'short term demand to accommodate short stay accommodation workforce needs is considered in a large range of locations that offer the potential for longer term legacy of infrastructure provision to the city.' The inability to convert any proposal within the airport land to residential directly contradicts this objective.</p> <p>A23. The Growth Plan states that the Airport is suitable for new TWA Accommodation however it stresses that this land use must be TEMPORARY and that it is to be replaced by industrial uses over the longer term.</p>	<p>A17. Proposed lots 36 to 39 will be retained by the ToPH as TWA sites. Proposed Lot 36 is proposed to be leased to a third party TWA operator. The remaining lots can be developed in order to supply TWA facilities for parties undertaking building projects.</p> <p>A18. See A17 above.</p> <p>A19/A20. The balance lot can remain unserviced in a staged approach to subdivision of land, and will not require servicing until such time the ToPH decides to develop the land and obtains subdivision approval from the WAPC. The Business Plan (page 10) refers to the subdivision being "undertaken in accordance with the standards and conditions as approved by WAPC." While the servicing of the balance lot is not the initial intention of the proposal, if this was a requirement of the WAPC conditions, then this would need to be considered.</p> <p>A20. The local government will have the opportunity to make comment on the subdivision proposal and request the WAPC to consider imposing conditions relating to road improvements required as a result of the subdivision development.</p> <p>A21. The local government will have the opportunity to make comment on the subdivision proposal and request the WAPC to consider imposing conditions relating to fencing of the airport land.</p> <p>A22. Ref to A2 and A3.</p>

Name	Matters Raised	Comment
<p>Brendan Foley 172 Sixth Avenue, Inglewood WA 6052</p> <p>Email: sleek_1988@hotmail.com</p>	<p>A24. The subdivision plan is in itself flawed as it does not take into account the development of surrounding pieces of land and there is no provision for drainage infrastructure which may account for up to 25% of the total land area, especially given the high% of sealed areas within industrial precincts.</p> <p>A25. The analysis by AEC group is flawed as it is based on a 10 year lease when it is clear that BHPB will inevitably exercise a longer lease in light of the significant cost to construct just 2000 beds (\$300 Million) or the full 6000 beds (\$900 million) It is ridiculous for the Council and BHPB to continue to promote the development as temporary in light of these figures.</p> <p>A26. The AEC Group report says 'TWA will operate in a similar fashion to accommodation industry in terms of goods and services required' i.e. it is a full blown hotel village in everything except by name.</p> <p>A27. The AEC Group report assumes that the flow on demand of the develop-development will be \$438 million; however this does not take into account the greater benefit of an appropriately designed and located development allowing for workers to actually spend their money in the town.</p> <p>A28. The total financial benefit of the proposal (in the AEC Group report) will be similar if the development was situated in any location; however the \$55 million value added figure for the local economy could severely increase if the proposal was located appropriately adjacent to existing facilities.</p> <p>A29. The modelling by AEC Group actually states that 1000 beds will be used to consolidate other BHP workforces. This totally contradicts the promoted intention for the development as accommodation for the outer harbor construction workforce. If this is the intention, this means that BHPB have been misleading Council or Council and BHP have been misleading the community regarding the use of the site for outer harbour Construction workforce only.</p>	<p>A24. BHPB is to incur all development costs associated with the subdivision of the land, such servicing and infrastructure (including drainage), for 39 of the 40 lots proposed. The local government will request the WAPC to consider imposing conditions on the subdivision relating to infrastructure & servicing. Drainage and traffic assessments will be required as part of the Development Application approval process.</p> <p>A25. Assumptions include that the full 10 year lease is exercised and that the TWA is at capacity during its lifetime.</p> <p>A26. The AEC Group makes clear that it is only for modelling purposes</p> <p>A27. Refer to A26.</p> <p>A28. Refer to A26.</p>

Name	Matters Raised	Comment
<p>Brendan Foley 172 Sixth Avenue, Inglewood WA 6052</p> <p>Email: sleek_1988@hotmail.com</p>	<p>A30. Where did the figures relied on in page 17 of the AEC Group report come from, were these pulled from the sky to make the graph look good?</p> <p>A31. On page 16 of the AEC Group report the demand shown is the BHPB operational workforce on top of the construction workforce, again indicating that the community is may be misled by BHPB, Council or both.</p> <p>A32. The Paxon valuation of the land is also void and worthless as the subdivision plan is not physically developable as it does not even have any provision for drainage.</p> <p>A33. NVP is usually assessed at 7% however Paxon Group has manipulated the figures by arguing that 15-25% is more suitable due to the 'high risk of land development' which un-coincidentally makes the BHPB proposals seem better in comparison. This manipulation is deceitful and potentially misleading. The notion that the short term development of industrial land in Port Hedland is 'highly risky' is absolute BS.</p> <p>B. Potential Legal Problems</p> <p>B1. Administrative Law</p> <p><i>i. Bias:</i></p> <p>The media statements released by the Mayor and CEO as published on the Town of Port Hedland website clearly give rise to a reason-able apprehension of bias on the part of the Council in their assessment of the proposal. A reasonable apprehension of bias arises when 'a fair minded lay observer might reasonable apprehend that the decision maker might not bring an impartial mind to the resolution of the question the decision maker is required to decide.'</p>	<p>A32. Refer to A16 above</p> <p>B1. The Local Government Act 1995 clearly defines the role of the Council, elected members, President and CEO. Section 5.65 of the Act requires a member of Council to disclose the nature of an interest (financial, proximity or impartiality). The declaration by elected members states, in part, that the person "will duly, faithfully, honestly and with integrity, fulfil the duties of office".</p>

Name	Matters Raised	Comment
<p>Brendan Foley 172 Sixth Avenue, Inglewood WA 6052 Email: sleek_1988@hotmail.com</p>	<p><i>ii. Fettering of Discretion:</i></p> <p>By agreeing to enter into a contract for the lease, development and sale of land for a specific purpose, before that proposed land use or development has been formally assessed or approved under the Planning and Development Act, the Council is likely to be in breach of the Non Fettering of Discretion Rule. This rule is enunciated as 'when-ever a decision is made there must be a real or genuine exercise of discretion.' Explained further, if Council enter into a contract to develop the land, any subsequent development approval by the Council inevitably will be in accordance with their initial contract (for fear of breach). This therefore means that any proposal for use of the land will not truly be assessed on its merits (in light of relevant legislation, policy, location, size, timeframe and effect on the community) but will be approved solely on the provisions of the proposed contract, blind of all reasonable planning considerations. This is likely to be a clear breach of the administrative law regarding non fettering of government discretion.</p> <p>B2. Tort Law</p> <p><i>i. Misrepresentation.</i></p> <p>If the non fettering of discretion rule as described above does not apply in these circumstances, due to the fact that the Council is unlikely to be the decision maker in any subsequent decisions (noting that the WAPC will assess any subdivision proposal, and the local DAP will assess any structure plan/ DA) the wording contained within the documents advertised give the impression that the proposal for a 6000 person TWA and subdivision are a sure thing if the contract is entered into.</p> <p>This is simply not the case as the Council does not have the power to assess those subsequent proposals. The Council should be very careful about the wording in the proposed contract, as the wording in the advertised documents leave Council wide open to financially devastating negligent misrepresentation litigation by BHPB if the</p>	<p><i>ii.</i> The proposal is conditional, being subject to subdivision approval. The business plan clearly states that the WAPC will undertake the assessment of the subdivision.</p> <p>B2. It is not what the business plan states – refer to section 2.2.6 (13) of the business plan.</p>

Name	Matters Raised	Comment
<p>Brendan Foley 172 Sixth Avenue, Inglewood WA 6052</p> <p>Email: sleek_1988@hotmail.com</p>	<p>WAPC or local DAP choose not to approve the proposal, or approve the proposal albeit in a modified state. This is particularly pertinent given the shocking location for such a large and long term accommodation facility.</p> <p>B3. Statutory and Contractual Interpretation</p> <p><i>i. <u>Defining Construction Workforce</u></i></p> <p>There is a lack of adequate controls and/or long term management strategy to deal with the type and temporary nature of the proposed TWA facility (i.e. restriction to construction workers only, quality of accommodation and mechanism to ensure closure or approval for change of use when the TWA is closed or not needed). The advertised proposal provides no protection to ensure that the development is only used to accommodate 'construction workers' for the outer harbor as proposed. The condition of lease renewal to the satisfaction of the Council is similarly inadequate in achieving any protection on the part of the Council against such activities as construction worker is not defined.</p> <p>While Transient Workforce Accommodation is defined under the Scheme, the current scheme provisions are inadequate to ensure the proposed use and development of the TWA site will not be exploited by BHPB. The Council should initiate a scheme amendment as soon as possible, as well as include within any contract provisions a definition of key terms such as 'transient workforce' and 'construction workforce' to ensure the process is not easily manipulated.</p>	

Name	Matters Raised	Comment
<p>Bob Neville Chief Executive Officer Bloodwood Tree Association Inc. Tele: 9172 3622 Mob: 0419 853 160</p>	<p>Please accept this as the formal submission from Bloodwood Tree Association Inc., in relation to the Precinct 3 proposed development. Firstly, and following discussions with BHPB on this topic, we are of the belief the actual site is on the east (RH) side of the Highway from South Hedland following the Wedgefield turn-off towards the South Hedland cemetery. The maps unfortunately do not appear to clearly point out the site.</p> <ol style="list-style-type: none"> 1. The main topic of discussion with the Board of Directors and the staff is in relation to affordable housing and the lack of such within the Town of Port Hedland. It is our opinion that any monetary benefits from the Precinct 3 proposal, if agreed to by Council, should be utilised in the main to ensure that a number of affordable housing units are also constructed along with any further FIFO accommodation, while a number of rooms are also made available to the NGO and small business community for temporary accommodation until time as such affordable housing is constructed for the community. These units should number upwards of 100 and be made available to both the not-for-profit and the small business sectors on a case-by-case basis. 2. A commitment should be made for local people, and in particular local indigenous people, to be trained and employed on the construction site(s) at Precinct 3 and also for service provision jobs at the FIFO camp (e.g. cleaners, kitchen hands as well as full hospitality training). 3. Support for local community service agencies should also be made available in a wide range of community services (child-care, education, health, youth, training & employment services etc) to ensure they are able to survive the economic situation within our town, and also to help with capacity-building of the organisations for future sustainability. It is felt that if the ToPH consider they will remain sustainable from this venture, then the entire community and its invaluable services need to also be self-sufficient and sustainable to ensure a true community sustainable future. <p>Local business should be given priority to be able to expand their business and services to the FIFO camp and other areas of the Precinct.</p> <p>COMMENT: "...but I do agree also that it creates profit for our town to grow too.....but I am strongly against it".</p>	<p>The State Agreement with BHPB for the Outer Harbour expansion will require the preparation of a Social Impact Assessment and Local Content Plan. Outcomes of this assessment and planning, along with the Port City Growth Plan will guide future priorities and funding.</p> <ol style="list-style-type: none"> 2. This is a matter for the ToPH to refer to BHPB for consideration when BHPB prepare the Local Content Plan for the Outer Harbour expansion. 3. BHPB has proposed establishing a Community Integration Committee that will investigate and oversee all activities to minimise the negative impacts of the proposed TWA facility and to maximise community and business integration opportunities. BHPB will provide \$200,000 towards integration and development studies for this committee. With the assistance of the ToPH, a community and small business integration strategy will be commissioned after the initial BHPB TWA development of 2,000 construction workers, and prior to the commissioning of additional stages of the TWA.

Name	Matters Raised	Comment
<p>Bob Neville</p> <p>Mob: 0419 853 160</p> <p>Received: 15 December 2011</p>	<p>My view on the Precinct 3 proposal is that it is a project that can bring a lot of economic development to the community, while the use of a 6000-strong FIFO construction workforce is obviously needed by BHPB to complete the outer harbour development which can eventually take Port Hedland to becoming a sustainable large community with a stable resident workforce.</p> <p>However the community over the past 7-8 years has suffered the consequences of the current mining resources boom, and in particular the rise of median rentals by some 500% and the cost of purchasing by more than 300% in the housing market has left a lot of community people behind, and the services sector only just able to deliver to the community as the lack of staff and staff retention begins to make its mark.</p> <p>With that in mind, I believe Council will need to make some very serious decisions in relation to bringing about some tangible benefits to the real community of Port Hedland, including those homeless people as well as those within the community services and small business sectors.</p> <p>These benefits to the community need to be put “up front” in relation to any decisions to approve the Precinct 3 project, and should be made available in conjunction with the Precinct 3 project, and not just “planned” in the medium to long term (3-5 years). After all, the 6000-bed facility will be built within 18 months of the project go-ahead.</p> <p>The upgrade of the Airport will mainly benefit the mining resources and associated sectors, and will be required to accommodate an extra 6000 FIFO workers, so this should not be seen as an immediate “community benefit”.</p> <p>Benefits for the community will need to of the main include a sustainable affordable housing project with the first stage up and running within 12-18 months, along with an emergency immediate accommodation measure to ensure the services sectors can attract and retain staff.</p>	

Name	Matters Raised	Comment
<p>Bob Neville Tele: 9172 3622 Mob: 0419 853 160 Received: 15 December 2011</p>	<p>The secondary issue is the one of recreation facilities, which in relation to the Marie Marland Reserve have remained almost stagnant since it was opened in 1981, bar a small facility, upgrade of the existing and a four-bay shed, plus the maintaining of the lighting system. The upgrade and expansion as depicted in the Active Open Space Strategy is one the sports users are keen to follow through on, utilising the recreation land immediately to the north of MM Reserve, and one which needs to be planned to be completed within the next two years.</p>	<p>The ToPH has prepared a (draft) Active Open Space Strategy that plans for the redevelopment of facilities at Marie Marland progressively between 2012 - 2018.</p>

Name	Matters Raised	Comment
<p>Chris Adams General Manager</p> <p>Pilbara Cities</p> <p>Ground Floor</p> <p>12 Hedland Place</p> <p>Karratha WA 6714</p> <p>Tele: 1300 72 2255</p>	<p>I refer to the Business Plan to enter into a major land transaction with BHP Billiton Iron Ore regarding the development of a Transient Workforce Accommodation (TWA) facility and other associated industrial developments on Precinct 3 at the Port Hedland International Airport.</p> <p>The Pilbara Cities Office has reviewed the Business Plan and makes the following comments:</p> <ul style="list-style-type: none"> ▪ Community Legacy: While the proposal creates a range of legacy benefits in the form of both civil infrastructure and short term cash contributions that can be utilised for community infrastructure, development at the Port Hedland International Airport in the immediate term is not consistent with the State and local government's expressed desire to concentrate development activity in Port and South Hedland. While generating legacy benefits from TWA accommodation is clearly a positive outcome from the Business Plan proposal, greater focus should be placed on concentrating those legacy benefits within the primary population areas. ▪ Decentralisation of Population: If the proposal proceeds in the manner proposed the population profile of the Town would be further dispersed with another significant population centre (i.e. the Airport) being created in addition to the primary centres of Port and South Hedland. Significant effort is being made to transform the Town of Port Hedland into a regional city. To do this, focus needs to remain on aggregation of population so that investment in infrastructure, services and facilities by both the government and the private sector is warranted. ▪ Out of sequence development: The Business Plan indicates that the subdivided property will be utilised as a 'much needed extension to the current Wedgefield Industrial estate.' While the need for more industrial land is undisputed, the rationale for this development in the context of other industrial developments is not clear. In addition to the current industrial uses at Wedgefield, Anderson Street Port Hedland, Bell Street Industrial Area, Redbank and 12 Mile, progress is being made on the major industrial developments at Hedland Junction, Lumsden Point and at Boodarie. 	<p>The draft Pilbara Port City Growth Plan (PPCGP) states:</p> <p><i>"The approach offers the connectivity between South and Port Hedland through the early development and expansion of Wedgefield and Airport land".</i></p> <p>The draft PPCGP also states:</p> <p><i>"The key challenge is to provide increased locational choice (particularly for general/light industry and logistic operations) beyond the existing estate areas, such as Wedgefield. Additional industrial land supply, over and above anticipated future demand, is required in the medium to long term and clearly needs to be provided in locations to maximise choice for prospective tenants and encourage further specialisation".</i></p>

Name	Matters Raised	Comment
<p>Chris Adams General Manager Pilbara Cities Ground Floor 12 Hedland Place Karratha WA 6714 Tele: 1300 72 2255</p>	<p>The business plan does not make it clear how creating an additional industrial land at a new site (i.e. the Airport) will be complementary to current and planned industrial developments.</p> <ul style="list-style-type: none"> ▪ Permanency: The Business Plan indicates that the TWA facilities could remain for up to 25 years. The Pilbara Cities Vision aims to develop permanent, locally based workforces. While construction related TWA facilities will undoubtedly be required, planning for TWA's to be present for up to 25 years is not consistent with the State's long term vision for the area. ▪ Urban Amenity: In recent years the Town of Port Hedland and the State Government has placed significant emphasis on improving the urban amenity within its primary localities. Works done in this regard is changing the perception of the Town. The development of a large TWA on a key entrance point to the Town potentially exacerbates the industrial look and feel of the Town and detracts from the vision of transforming Port Hedland into a vibrant, attractive urban centre. While the financial package that the Town has negotiated with BHP Billion is significantly better than historical arrangements for TWA, it is the view of the Pilbara Cities Office that the consolidation of such a large facility at the Port Hedland International Airport potentially creates an undesirable town planning and urban amenity outcome. It is suggested that a 'hybrid model' for TWA facility development for BHP Billiton and other resource related construction projects should be progressed that includes: <ul style="list-style-type: none"> - Construction of TWA facilities in high amenity areas (such as the Spoilbank and/or the South Hedland CBD) with these TWA facilities transitioning into permanent dwellings post the construction period; and 	<p>Further, the draft PPCGP outlines 'quick wins' that can be progressed immediately (0-2 yrs) in relation to Precinct 7 (Airport and surrounds), such as:</p> <ul style="list-style-type: none"> ▪ TWA developments for construction workforce (performance based ensuring limited lifetime on TWA). ▪ Expansion of Airport. ▪ Development of industrial and commercial land. <p>In the short term the TWA may be visible from the Great Northern Highway, but in the medium to long term the development of bulky retail would screen the TWA from vehicular traffic using Great Northern Highway.</p>

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<p>Chris Adams General Manager Pilbara Cities Ground Floor 12 Hedland Place Karratha WA 6714 Tele: 1300 72 2255</p>	<ul style="list-style-type: none"> - The use/development of permanent buildings within planned residential projects as TWA/ Serviced Apartments for construction workers to underwrite such developments; and - A scaled down version of the Precinct 3 proposal being progressed (either at Precinct 3 or another location) with a lower volume of accommodation units and a shorter length of tenure being offered. <ul style="list-style-type: none"> ▪ Temporary, short term TWA 'fly-camp' buildings on State Agreement Act Land for extreme peak construction employment periods. <p>The Pilbara Cities Office is willing to work closely with the Town of Port Hedland to achieve the hybrid suggestion listed above should it so wish.</p>	<p>Recent planning studies undertaken by the ToPH have identified an immediate need for TWA facilities. The location proposed in the business plan has been identified in the draft PPCGP as a "Quick Win".</p>

Name	Matters Raised	Comment
<p>Ken Brinsden Chief Development Officer Atlas Iron Limited Level 9 Alluvion 58 Mounts Bay Road Perth WA 6000</p>	<p>Atlas fully supports the proposed development of Precinct 3 at the Port Hedland International Airport. This will help address the current and future forecast shortage of suitable TWA (Transient Worker Accommodation) facilities in Port Hedland.</p> <p>This development is timely for Atlas as it is actively growing its business and presence in the Pilbara and in particular the Port Hedland region being the Company's major export hub. Atlas plans to increase its production and shipping of Iron Ore through Port Hedland from a current 6mtpa to a 22mtpa by 2015, and in excess of 40mtpa by 2017. This includes significant infrastructure and development at Utah Point Port and South West Creek in the Port Hedland harbor precinct. To support and underpin this rapid growth Atlas has an increasing need for accommodation facilities in Port Hedland for its employees and contractors.</p> <p>In particular Atlas would be interested in pursuing opportunities to develop Lot 36 or an alternative suitable parcel of land through a third party TWA provider. Rapid development of this site would help ensure construction of Atlas projects are not threatened or compromised. Development would primarily be for the purpose of supporting construction of Atlas' projects, and not for purpose of accommodating operational staff and contractors. As such Atlas would be prepared to seriously consider the underwriting of accommodation facilities in the order of a 300 to 400 man camp. Included in such consideration would be the option to release back to the Town of Port Hedland a certain number of such rooms to be made available to the community.</p> <p>Atlas is committed to the Town of Port Hedland as the key centre for its operations and long term growth. This development provides an opportunity for Atlas to demonstrate that commitment in a tangible way, and at the same time give something back to the community in which it operates.</p>	<p>The remaining proposed lots will undergo a separate disposal process once the Certificates of Title have been created. Disposal includes sale or lease and will be subject to a Council decision.</p>

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<p>Ross Holt Chief Executive Officer LandCorp 40 The Esplanade Perth WA 6000</p>	<p>I refer to the Town of Port Hedland Business Plan for the Development of Precinct 3 at the Port Hedland International Airport.</p> <p>On behalf of Government, LandCorp is active in providing industrial land to the Port Hedland area with development of the Wedgefield Industrial Estate and future Boodarie development. LandCorp is also leading a number of projects in Port and South Hedland that include permanent residential development and short-stay accommodation. The Department of Housing and Pilbara Cities Office are also engaged in generating a range of development outcomes for Hedland. LandCorp's residential projects within Port and South Hedland are summarised below:</p> <table border="1" data-bbox="560 675 1395 1166"> <thead> <tr> <th data-bbox="560 675 790 751">Project</th> <th data-bbox="790 675 1149 751">Yield</th> <th data-bbox="1149 675 1395 751">Timing of Land Release</th> </tr> </thead> <tbody> <tr> <td data-bbox="560 751 790 855">Marina</td> <td data-bbox="790 751 1149 855">600 Short-stay and 400 TWA</td> <td data-bbox="1149 751 1395 855">One to five years (three hectare site on the market)</td> </tr> <tr> <td data-bbox="560 855 790 959">East Port Hedland</td> <td data-bbox="790 855 1149 959">2000 to 3000 Residential Units subject to Planning and Due Diligence</td> <td data-bbox="1149 855 1395 959">Two to ten years (200 to 300 units planned within two years)</td> </tr> <tr> <td data-bbox="560 959 790 1015">Pretty Pool Stage 3</td> <td data-bbox="790 959 1149 1015">60</td> <td data-bbox="1149 959 1395 1015">Unknown</td> </tr> <tr> <td data-bbox="560 1015 790 1091">South Hedland Town Centre</td> <td data-bbox="790 1015 1149 1091">750 Dwellings (group housing sites – R40/R160)</td> <td data-bbox="1149 1015 1395 1091">Within 12 months</td> </tr> <tr> <td data-bbox="560 1091 790 1166">South Hedland Residential</td> <td data-bbox="790 1091 1149 1166">1500 Residential lots</td> <td data-bbox="1149 1091 1395 1166">One to five years</td> </tr> </tbody> </table>	Project	Yield	Timing of Land Release	Marina	600 Short-stay and 400 TWA	One to five years (three hectare site on the market)	East Port Hedland	2000 to 3000 Residential Units subject to Planning and Due Diligence	Two to ten years (200 to 300 units planned within two years)	Pretty Pool Stage 3	60	Unknown	South Hedland Town Centre	750 Dwellings (group housing sites – R40/R160)	Within 12 months	South Hedland Residential	1500 Residential lots	One to five years	<p>Whilst LandCorp's project proposals are acknowledged and much needed, they will not fully address the identified gap in short stay and TWA requirements in the immediate term.</p>
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<p>Ross Holt Chief Executive Officer LandCorp 40 The Esplanade Perth WA 6000</p>	<p>With respect the advertised Precinct 3 Business Case, LandCorp raises the following points:</p> <ol style="list-style-type: none"> 1. LandCorp shares the Town's vision for growing Port Hedland into a city of 50,000 people. However, LandCorp is concerned the proposed scale of the development will discourage public and private sector investment in permanent development outcomes in Port and South Hedland. This will undermine the Pilbara Cities objectives which have informed the thinking and investment in the town over the past two years. 2. Neither LandCorp, nor the Pilbara Cities Port Hedland Steering Group have been consulted by the Town in the development of the Business Case and there has therefore not been the opportunity to provide input prior to this point. 3. LandCorp accepts that TWA's will be required to deal with peak construction demands. However, it is essential that the volume of accommodation provided is limited so far as possible and does not detract from the demand for the take up of short, medium and long term permanent housing product. Both the scale of the camp proposed and the likely timeframe for its operation will reduce the incentive for BHPB to become involved in permanent city building projects. 4. If the Business Plan is primarily motivated by accommodating the BHPB construction workforce associated with the Outer Harbour Project, there should not be a requirement for a 25-year ground lease (10+5+5+5) for the proposed Transient Workers' Accommodation area. 5. The proposal has potential to significantly dilute activity and investment in Port and South Hedland and there is the risk or creating a third township between the Port and South Hedland activity centres. 6. A workers' camp of this scale will not serve to normalise the housing market and will add to the perception that Port Hedland is an Industrial town populated temporarily by fly-in/fly-out workers. 	<p>3. The draft PPCGP identifies Precinct 7 (of which Precinct 3 in the business plan is a part of), as suitable for TWA development. TWA is defined by the Town Planning Scheme No 5, as:</p> <p><i>“dwellings intended for the temporary accommodation or transient workers and may be designed to allow transition to another use or may be designed as a permanent facility for transient workers and includes a contractors camp and dongas.”</i></p> <p>The housing of operational workforce at the TWA would result in non-compliance with Town Planning Scheme No 5, and may result in the Approval Holder being liable for prosecution.</p> <p>The proposal is only for the accommodation of the construction workforce required to complete projects. Housing of operational workforce has never been anticipated through the proposal and is not permitted as part of the proposal in the business plan.</p> <p>The ToPH has advised that conditions will be developed for incorporation into the lease that BHPB will need to satisfy before any option for extension can be exercised.</p>

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<p>Ross Holt Chief Executive Officer LandCorp 40 The Esplanade Perth WA 6000</p>	<p>7. The Port Hedland Growth Plan Implementation Plan demonstrates a land supply timeline that is capable of releasing significant volumes of permanent development outside the current proposal as part of a planned outcome. Estimated yields are summarised below:</p> <table border="1" data-bbox="607 405 1308 703"> <thead> <tr> <th colspan="5" data-bbox="607 405 1308 448">Estimated Total Dwelling No.</th> </tr> <tr> <th colspan="5" data-bbox="607 448 1308 512">Port and South Hedland</th> </tr> <tr> <th data-bbox="607 512 790 619">Immediate (0-2 Years)</th> <th data-bbox="790 512 922 619">Short (2-5 years)</th> <th data-bbox="922 512 1059 619">Medium (5-10 years)</th> <th data-bbox="1059 512 1207 619">Long (10 years +)</th> <th data-bbox="1207 512 1308 619">Total</th> </tr> </thead> <tbody> <tr> <td data-bbox="607 619 790 703">2138</td> <td data-bbox="790 619 922 703">5452</td> <td data-bbox="922 619 1059 703">6825</td> <td data-bbox="1059 619 1207 703">5040</td> <td data-bbox="1207 619 1308 703">19635</td> </tr> </tbody> </table> <p><i>(Source: Draft Town of Port Hedland Growth Plan – Implementation Plan)</i></p> <p>With funding support some medium and long term initiatives may be capable of being brought forward. A camp facility should only be implemented where the planned permanent development of the new Port Hedland city cannot meet required housing supply. Where this is the case the camp facility should be limited to meet the identified accommodation shortfall.</p> <p>8. LandCorp currently has five sites on the market seeking private sector support to deliver permanent development solutions that will provide accommodation and amenity consistent with the Pilbara Cities vision. These sites (and future releases) will not be developed without private sector support including from BHPB and other key resource companies.</p> <p>9. LandCorp supports the Bulky Goods concept being accommodated in the airport area as this is ideally located between Port Hedland and South Hedland to provide amenity as well as aesthetic benefits.</p>	Estimated Total Dwelling No.					Port and South Hedland					Immediate (0-2 Years)	Short (2-5 years)	Medium (5-10 years)	Long (10 years +)	Total	2138	5452	6825	5040	19635	<p>4. The TWA is required for the construction workforce to complete major projects within the Town. The term for the TWA could be dependent on the construction lifetime of the projects.</p> <p>5. Refer to 1 above</p> <p>6. It is acknowledged that the TWA will not directly serve to normalise the housing market. Normalisation may be achieved through the housing of the permanent operational workforce within the Town and the construction of permanent family type dwellings.</p> <p>In the short term the TWA may be visible from the Great Northern Highway, but in the medium to long term the development of bulky retail would screen the TWA from vehicular traffic using Great Northern Highway.</p> <p>8. As construction projects are completed and commissioned, there will be a need to house permanent operational staff.</p>
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<p>Ross Holt Chief Executive Officer LandCorp 40 The Esplanade Perth WA 6000</p>	<p>10. More generally, LandCorp is concerned at the number of short-stay housing solutions that are being considered. It is LandCorp's view that short-stay accommodation should be encouraged in strategic locations such as the South Hedland Town Centre and Spoilbank (or other high amenity areas identified through a planning process). The well-planned development of these areas will leave a legacy of activated focused centres. However, ad hoc development will make it hard to develop these areas to their full potential and discourage permanent housing solutions. It would be disappointing and contrary to the Pilbara Cities Vision if the legacy of the housing demand boom is a proliferation of short-stay projects that are divorced from high amenity areas.</p> <p>On this basis, the proposal is not supported by LandCorp. Should elements of the proposal proceed LandCorp make the following recommendations with respect to the industrial land development:</p> <ol style="list-style-type: none"> 1. The Town work with LandCorp to co-ordinate land release to ensure permitted uses across estates are complementary and provide for market need; 2. The Town sell land with title restrictions that prevent further subdivision to discourage speculation and with a requirement for purchasers to build within a certain time period, similar to LandCorp's developments; and 3. The town liaise with LandCorp to ensure the approach to releases is favourable to the orderly development of the town. 	<p>10. Recent planning studies undertaken by the ToPH have identified an immediate need for TWA facilities. The location proposed in the business plan has been identified in the draft PPCGP as a "Quick Win."</p>

Name	Matters Raised	Comment
<p>Morag Lowe Principal/Licensee Hedland First National Real Estate 2/20 Wedge Street Port Hedland WA 6721 Tele: 08 9173 9200 Mobile: 0429 967 550</p>	<p>Whilst generally supportive of the proposed project there are some major concerns that have not be adequately addressed in the formal business plan presented by the Town.</p> <p>The economic impact assessment presentation is based on a methodology that measures the costs of this project not being undertaken. It appears to focus solely on potential benefits with little or no consideration evident for the potential impacts to the TOPH. I would be very surprised if it were not possible to identify and quantify some of the more easily anticipated negative outcomes. It would also have been reassuring to see some attempt at considering the impact of unintended consequences that will be a probable byproduct of such an undertaking.</p> <p>The critical flaw of the impact economic assessment is in the assumption “that the economy examined is in equilibrium at given prices” and that “no capacity constraints” exist (AEC Group report p6). The reality of the local economy in Port Hedland is that basic supply/demand imbalances already exist and the market has not adjusted in an efficient manner when needed. The addition of this development into the Hedland economy will undoubtedly induce further crowding out and a negative general impact on prices and availability of certain goods and services in the community. By incorporating the above assumptions into their economic modelling AEC Group may have overestimated some of their conclusions and at the very least, have at least failed to fully consider the potential negative economic and social impacts of this proposal.</p> <p>Any proposal that ultimately sees the addition of 6000 persons to a town of approximately 18,000 is undoubtedly fundamentally going to change the nature of that Town.</p> <p>Neither of the studies commissioned focus on the social impacts of this proposal. The Paxon Group provided an assessment that is simply an analysis of the various investment decisions, and the AEC Group provided a (flawed) assessment of the economic benefits this proposal would produce. It appears as a community we are largely focused on seeing the potential benefit to the financial statement, without being ready to first expend the intellectual rigor to understand what the lasting impact of this</p>	<p>The AEC Group provided the following comments:-</p> <p><i>Factors including the potential opportunity or unintended costs of the project progressing and negative outcomes of the project could not be assessed using the Input/Output based methodology employed by AECgroup. To achieve the outcomes she is seeking a full Cost Benefit Analysis assessment would have to be undertaken for which it was agreed during initial discussions that there was insufficient time to complete.</i></p> <p><i>It is recognised that the approach adopted by AEC under the guidance of the Town assumes Port Hedland is operating within a normalised market and that this is not in fact the case at present. This analysis was prepared within the context of the Draft City Growth Plan (also prepared by AECgroup) the purpose of which is to facilitate this normalisation over the course of the next two decades. This policy framework and the methodological requirements of the model required such a normalised approach to be adopted. Where possible, current imbalances in the local economic structure and market environment were taken into consideration when determining the extent of economic benefit that could be captured locally by Port Hedland. However, no negative implications of the project were explicitly quantified as part of AECgroup’s work.</i></p> <p><i>The negative implications of the project were broadly not examined within the scope of AECgroup’s work. Such negative implications, particularly those that relate to social</i></p>

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<p>Morag Lowe Principal/Licensee Hedland First National Real Estate 2/20 Wedge Street Port Hedland WA 6721 Tele: 08 9173 9200 Mobile: 0429 967 550</p>	<p>will be to our town.</p> <p>It would be my recommendation that as a matter of some urgency TOPH conduct a Social Impact Assessment that appropriately focuses on analysing the impact on at least the following;</p> <ol style="list-style-type: none"> 1. Supply of essential services e.g.: Medical, 2. Inflationary wage pressures for key service workers, 3. Additional bottlenecks in key infrastructure e.g.: Broadband Internet capacity, Power, Water, 4. Potential threat to private sector investment who perceive this proposal negatively, 5. Lack of community engagement by FIFO workers (already of significant concern at present levels), 6. Impacts on social cohesion, and potential points of conflict between community and transient workers who have little or no investment in the Port Hedland community. <p>A very important, yet overlooked factor is the environmental impact on both the site and the town resources. The soil type/water table in the area is largely unsuitable for septic discharge and significant analysis will have to be undertaken to develop a suitable system. The issue of refuse disposal also needs to be adequately addressed.</p> <p>It is simply not acceptable in the 21 century to allow this issue to be a 'housekeeping' concern for the operators to manage to their satisfaction and allow long-term environmental problems to be a legacy for a future generation of residents.</p>	<p><i>and infrastructure considerations were raised during this time and deemed outside of AECgroup's scope. AECgroup's primary focus was on quantifying the size and extent of the potential economic benefits of the project proceeding or the benefits that would be foregone by Council and the community of the project not progressing. Note that potential negative implications of the TWA through crowding out of other economic activity (impacts on existing services) was considered in slides 16 to 19. These were found to be minimal.</i></p> <p>BHPB has proposed establishing a Community Integration Committee that will investigate and oversee all activities to minimise the negative impacts of the proposed TWA facility and to maximise community and business integration opportunities.</p> <p>BHPB will provide \$200,000 towards integration and development studies for this committee. With the assistance of the ToPH, a community and small business integration strategy will be commissioned after the initial BHPB TWA development of 2,000 construction workers, and prior to the commissioning of additional stages of the TWA.</p> <p>The Port Hedland International Airport Land Use Master Plan addresses Hydrology and Drainage impacts, and power supply, water supply and waste water issues, in relation to Precinct 3.</p>

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<p>Morag Lowe Principal/Licensee Hedland First National Real Estate 2/20 Wedge Street Port Hedland WA 6721 Tele: 08 9173 9200 Mobile: 0429 967 550</p>	<p>A concern that needs to be addressed is the impost on the present population of residents for the lack of previous investment in the town, and the increased costs of supplying amenities and service for the projected growth in population. The town has suffered from under-investment in essential services for decades and the huge costs of bringing these services up to standard is now being borne by the present population. Whilst the Pilbara Cities initiative will eventually address some of these issues there is a significant time-delay going to be experienced in the short-to-medium term and it is imperative that Council both acknowledge and address this inequity.</p> <p>Another concern is the timeframe allowed for formal response to this proposal. What is being proposed is one of the most significant proposals to be addressed by the Town in decades yet the public comment period has been little over a month, and especially unacceptable at a time of the year when many of the key stakeholders are exceptionally busy, or even out of town for the month of December. A six-month period would be necessary for all interested parties to analysis, digest and be in a position to have arrived at a well-considered conclusion.</p> <p>It should be noted that the principle of the use of public monies (as any pre-payment for the lease of Lot 35 would become) for the redevelopment of the PHIA has not been explained clearly to the Port Hedland community. While I am very much in favour of a proposed redevelopment of the airport, it is clear that the two principle beneficiaries of such an undertaking would be the airlines, and the resource companies, whose increased demand has largely necessitated the upgrade. The improved level of amenity for the public at an upgraded airport will likely be a secondary benefit to the economic rents enjoyed by the aforementioned stakeholders by this investment. I will assume the TOPH has an appropriate business model in place to ensure that the public will receive an appropriate rate of return on an investment that I believe could otherwise be brought to being by a combination of Federal Government and private sector funding.</p> <p>Finally, I request that this submission is read in conjunction with the one submitted by Serge Doumergue who has provided pertinent and important comment on the valuations supporting and underpinning the Business Plan.</p>	<p>The WAPC will assess the subdivision application against Development Control Policies 1.1 and 4.1, amongst other State Planning Policies. One of the general principles is that each lot is provided with a standard of public utility services (including sewer) appropriate for its intended use. The costs for sewer extension have been included in the Valuers estimates.</p>

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<p>Serge Doumergue</p> <p>Senior Commercial and Strata Property Manager</p> <p>Director of Commercial Sales</p> <p>Director of development and off the plan sales.</p> <p>Hedland First National Real Estate</p> <p>2/20 Wedge Street</p> <p>Port Hedland WA 6721</p> <p>Tele: 08 9173 9200</p> <p>Mobile:0417 997 937</p>	<p>In my consideration as a long term resident of Port Hedland and I believe as the most qualified person to have an opinion on commercial property values in Port Hedland and Wedgefield, I believe this valuation is fundamentally flawed, grossly misrepresents the true commercial property market and its true value. It is also my opinion that this valuation is based on a lack of solid research, evidence and includes a degree of bias, possibly by way of instructions received and the selection of properties used as evidence.</p> <p>My opinion is founded by way of expertise in the field, participation in the community and working in Port Hedland. I have specialised in commercial property management and sales in Port Hedland for 6 years. Our agency Hedland First National Real Estate is the leading and most awarded commercial agency in WA and in the top 5 nationally with in the First National Group, which is the largest group of real estate agents in the nation. These awards include, the highest number of commercial listings, gross commissions, and settled sales, to name a few. We are also the lead commercial agency in Port Hedland managing and selling far in excess and the majority of commercial properties.</p> <p>My participation in the community includes, but not limited to:</p> <ul style="list-style-type: none"> ▪ The Airport Development Committee for the Town of Port Hedland ▪ Executive member of the Port Hedland Small Business Association ▪ Executive member of the Port Hedland Chamber of Commerce (second term) <p>The valuation draws attention to a number of sites that are either sold, for sale or leased, bar a few</p> <p>I am the selling agent and the property manager for all these properties, and also agent for Landcorp with a current listing as agent on LIA2 and have participated on the valuation of LIA3 TD1 and TD2. I therefore consider myself to be qualified to have an opinion in respect to this valuation.</p>	<p>Mr D Liggins provided the following comments:-</p> <p><i>The definition of Market Value is self explanatory and the details of settled property transactions, not conditional Offers, Options or agents opinions, are analysed and weighted taking into consideration current market conditions including supply, demand, zoning approvals etc that Mr Doumergue would be aware.</i></p> <p><i>Precinct 3 is a significantly large project in the embryo stage involving Development Costs estimated to be in excess of \$60 million and at the date of valuation to my knowledge not a spade of earth has been turned. There is a lot of work to be done.</i></p> <p><i>My valuation, the first of many, assisted the preparation of the Financial Model that inputs all the necessary components to reflect the viability of the project.</i></p> <p><i>I have observed the resources boom in the Pilbara and the increases in property values over the last 8 to 10 years and well aware of the continuation of existing and the commencement of new projects</i></p> <p><i>In arriving at the respective values of the lots I contacted 2 of the 3 agents I was referred to but I did not call Mr Doumergue for no other reason than in my 38 years as a valuer and licensed agent I find the "dominant agent" in the various locations talk the market up or, as is the case, sales that have occurred and do not support the agents opinion of market value should be disregarded.</i></p>

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<p>Serge Doumergue</p> <p>Senior Commercial and Strata Property Manager</p> <p>Director of Commercial Sales</p> <p>Director of development and off the plan sales.</p> <p>Hedland First National Real Estate</p> <p>2/20 Wedge Street</p> <p>Port Hedland WA 6721</p> <p>Tele: 08 9173 9200</p> <p>Mobile:0417 997 937</p>	<p>Upon examination of the stated values in this report it is clear in my opinion that the valuation is to a degree a desk top valuation without knowledge of the subject comparative properties and I must also state at this time that the valuer Mr David Liggins, has never contacted me to discuss the comparative properties, any valuer completing a valuation of this magnitude should have spoken to the agency or person who dominates the market for evidence, trends and facts.</p> <p>As a serving member of the Town of Port Hedland's Airport Development Committee, I am well aware of the transparency required by act of parliament and the requirements for accurate, factual and unbiased information, with no conflicts of interest or otherwise. This report advises that instructions were received from the CEO of the Town of Port Hedland for assessed values of 1 as is englobo valuation and 2 as if valuations. The basis of the valuations is provided by; but not limited to, The Shire of Port Hedland, Landgate and RPDData.</p> <p>Below is a list of concerns that I have with this report that I feel is misleading is a misrepresentation of the commercial property sector in Port Hedland:</p> <p>Item 14:</p> <p>States" Commercial properties are limited and tightly held" This is largely not true.</p> <p>Commercial properties are bought and sold frequently with many selling 2 or 3 times in the last 6 years, vacant commercial property is limited, but this is not stated in this report and this situation is being addressed by Landcorp, who at this moment have the majority of LIA3 and TD1 and TD2 still available for sale. This can further be supported by the fact the Hedland First National is one of the lead listing and selling agents in the state and nationally.</p>	<p><i>As time progress and it is best for all concerned to periodically review the values as the unknowns are addressed, weighted as the risks reduce to reflect an steady increase in the benchmark values with sufficient capacity to absorb political, environmental and/or economic threats that may eventuate.</i></p> <p><i>The most critical factor in my view which Mr Doumergue is underestimating is the potential Landcorp has in the Precinct 3 lead up time to acquire additional sites and compete head on to the extent that his opinion of lot values will give them a strong case to do what they are directed to do which is to purchase englobo sites (probably in excess of \$80 per square metre) subdividing and connecting services to sell at wholesale or cheap values with conditions.</i></p> <p><i>His opinion of values will greatly assist a Landcorp proposal to the Minister for funds bearing in mind Landcorp are not exactly excited about the Airport land and T of PH intentions. Whoever is instructed to next review the values as the project moves out of the embryo stage can contact Mr Doumergue to correct the details on properties he refers to e.g.where the tenants own the improvements, buildings are termite infested and what the sale price was for 7 Trig and 16 Murrena assuming it sells etc.</i></p> <p><i>In Projects where the sale vales have been "over assessed" causing reductions at future reviews create uncertainties and should be avoided.</i></p>

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<p>Serge Doumergue</p> <p>Senior Commercial and Strata Property Manager</p> <p>Director of Commercial Sales</p> <p>Director of development and off the plan sales.</p> <p>Hedland First National Real Estate</p> <p>2/20 Wedge Street</p> <p>Port Hedland WA 6721</p> <p>Tele: 08 9173 9200</p> <p>Mobile:0417 997 937</p>	<p>Item 15 (1):</p> <p>This states that the values of the 21 light industrial lots are \$252 to \$260 ex GST per meter squared and that the 19 transport lots from \$173 to \$240 ex GST.</p> <p>The report fails significantly to state that these selling prices do not represent market, they represent the discounted price at which Landcorp as a government land agency sells these lots. The report also states that only 13 of the 40 lots are sold, thus does not support the statement in clause 14 of limited commercial lots.</p> <p>Sales Evidence used:</p> <p>Lot 500 Iron Ore Street.</p> <p>Sold to Landcorp for \$80/m2.</p> <p>This sale should be disregarded as it is a sale between one state of WA department and another.</p> <p>10 Peawah:</p> <p>Sold for \$2.8m in August 2010. Evidence was a year old at time of valuation and should have been revalued as a stand-alone valuation to be included as evidence. I completed an appraisal for the purpose of sale on this property on Sep 2011 and the value was \$4.5m</p> <p>Again this evidence should be disregarded.</p>	<p><i>I accept my assessment of values are conservative and in hindsight I should have contacted Mr Doumergue which may have avoided his submission but my opinion of values has not altered and will not alter until unconditional commitments are confirmed and the unknowns are addressed.</i></p>

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<p>Serge Doumergue</p> <p>Senior Commercial and Strata Property Manager</p> <p>Director of Commercial Sales</p> <p>Director of development and off the plan sales.</p> <p>Hedland First National Real Estate</p> <p>2/20 Wedge Street</p> <p>Port Hedland WA 6721</p> <p>Tele: 08 9173 9200</p> <p>Mobile:0417 997 937</p>	<p>34 Pinnacles:</p> <p>For sale at \$1.8M, stating a well-designed 200m2 shed and care takers unit and that the m2 rate seems to be in excess of market.</p> <p>The analysis fails to note that the care takers unit is built partly within the shed and thus is not well designed or functional, the analysis also fails to mention the existence of a lease and that the basis of pricing included the return of that lease.</p> <p>Again a flawed analysis that should be disregarded.</p> <p>10 Sandhill:</p> <p>For sale \$3.3m, price set by owner and has sold for \$2.85m returning near 10%. Buildings generally in poor condition and tenant has requested purchaser to build new buildings.</p> <p>As before a flawed analysis and this evidence should be disregarded.</p> <p>17 Manganese:</p> <p>This evidence is a very strong argument of how this valuation is so flawed. The valuation states a 19,057m2 vacant block representing \$398m2 sold for \$780,000. This block is actually 8002m2 and sold on 21/0211 for \$3.63m and included improvements of a 500m2 shed. Being an LIA1 Landcorp lot this valuer should have known that the block could not sell as vacant under the terms and conditions of the original sales contract until such time as a shed was built and Landcorp lifted its caveat on the property if a shed was not built the land had to be surrendered back to Landcorp.</p> <p>This evidence MUST be disregarded.</p> <p>Rental Evidence used:</p> <p>Evidence of rental values used for this valuation was:</p> <p>110 and 111 Pinnacles street and 103 Oxide Way all at \$15,000 net per month, returning up to 28%.</p>	

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<p>Serge Doumergue</p> <p>Senior Commercial and Strata Property Manager</p> <p>Director of Commercial Sales</p> <p>Director of development and off the plan sales.</p> <p>Hedland First National Real Estate</p> <p>2/20 Wedge Street</p> <p>Port Hedland WA 6721</p> <p>Tele: 08 9173 9200</p> <p>Mobile:0417 997 937</p>	<p>The valuer has missed the fact that 110 and 111 Pinnacles street are actually 110 and 111 Iron Ore Street both have plans on internet on the advertising and both have returns of 10% based on capitalized cost. As for 103 if you read the advertising it states that the owner will build a shed to your design and will negotiate the rent which will be at a capitalization rate of 10%.</p> <p>I also manage all three of these properties and have been assisting the new owners to develop them. If the valuer had rung me I would have advised him the only rental determination model we use for new properties is 10% of capitalized value. If he had also studied investment properties for sale and current rentals, annualized them he would have calculated that almost everyone is at 10% other than some older properties that still have detrimental leases attached to them, such as 10 Sandhill above.</p> <p>For the purpose of this valuation the entire rental evidence presented should be disregarded.</p> <p><u>Summary</u></p> <p>Having read the valuation and associated documents I will provide a more accurate snap shot of the commercial values in Port Hedland.</p> <p>I would like to clearly state at this point that my intention is not to increase the prices of any proposed sales or leases but to draw to the attention of the CEO and councillors that the information in this valuation is in part fundamentally flawed, poorly researched and possible laden with errors.</p> <p>Response to conclusions of valuation:</p> <p>A:</p> <p>considerations:</p> <p>If these considerations where indeed taken the valuation would not contain so many errors.</p>	

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<p>Serge Doumergue Senior Commercial and Strata Property Manager Director of Commercial Sales Director of development and off the plan sales. Hedland First National Real Estate 2/20 Wedge Street Port Hedland WA 6721 Tele: 08 9173 9200 Mobile:0417 997 937</p>	<p>If the valuer had called the agents involved in the sales and leases then the valuer would have known the factors in the pricing and sale price of each lot and would have made considerations for the 2 land value. If the valuer is not required to divulge to the agent what he is valuing, thus confidentiality would have been maintained.</p> <p>B: 24 Lots, recommendation \$200 - \$275 per m2. This is at a rate less than Landcorp who are required to bring to market cheaper land and why should the Town of Port Hedland be discounting land by almost 50% of market. Recent sales such as 13 Leehey, a 2096m2 lot with buildings to be demolished have sold and settled for \$500m2 plus GST for the land component and 4 Yanana a 2126m2 lot with very old buildings also recently sold and settled at \$490m2 for the land component. Both were financed both were valued and valued at that price, yet the recommendation of this valuation is to sell similar at \$200/m2. The majority of sales occur in the \$440 to \$500 price range for smaller bocks, I would recommend selling at the lower end of current market at \$440/m2 The prices DO NOT compare with lots in Wedgefield as stated.</p> <p>C: Lot 9 and 10, sell for \$200 – \$275 for sizes of 10,0162 and 29,918. As above a lot of approx. 100002 should be sold at \$440/m2 and as per other sales such a 8 Murrena St when analysed correctly at \$300/m2.</p> <p>D: Lot 12 of 29,918m2 recommendation at \$150/m2, again why not at market of \$300/m2</p> <p>E and F: I believe another valuer should be appointed to revalue these lots, with precise clean instructions that do not favour any party.</p>	

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<p>Serge Doumergue</p> <p>Senior Commercial and Strata Property Manager</p> <p>Director of Commercial Sales</p> <p>Director of development and off the plan sales.</p> <p>Hedland First National Real Estate</p> <p>2/20 Wedge Street</p> <p>Port Hedland WA 6721</p> <p>Tele: 08 9173 9200</p> <p>Mobile:0417 997 937</p>	<p>G:</p> <p>Lots 3, 35, 36 These lots are the perfect lots to transform into 20,000/m2 lease sites for bulky goods such as Bunnings, a new Home Hardware or Woolworths Master Hardware and the like.</p> <p>Pricing to be ideally at a 10% of capital cost to develop the site or by negotiation if needed. These lots should remain the property of the Town of Port Hedland and be an income stream for the Airport.</p> <p>H and I:</p> <p>As per E and F need to be revalued by another valuer.</p> <p>These recommendations are purely in keeping with market, but as council is bound to adopt the recommendations of a suitably qualified valuer I think that council have been misguided and need to have the proposal revalued.</p> <p>The evidence analysis provided has been demonstrated as flawed and especially in respect to 17 Manganese completely inaccurate and un-researched considering the caveat requirements on the lot by Landcorp. Council would be, I believe in breach to the Act to accept this valuation when such large errors have been highlighted. A project of such significance and great value to Port Hedland cannot be risked by such discrepancies and another valuation must be undertaken. I also believe that the Town of Port Hedland should request a refund in full for this valuation.</p>	

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<p>Zabia Chmielewski Project Officer Home and Community Care WACHS PILBARA PMB 12, South Hedland WA 6721 Tele: 9174 1079 Mobile: 0439 929 585 Email: Zabia.Chmielewski@health.wa.gov.au</p>	<p>Thank you for the opportunity to comment on the Precinct 3 scheme. While the magnitude of the proposal is to be commended, I'm actually appalled at another huge TWA transient worker accommodation being proposed. Port Hedland already have a number of increase work camps, and while we have some new things to show for it, I think we have actually contracted in services / shops businesses closing.</p> <p>I can see that the shire would like to increase options for the International airport, including a transport and bulk handling site, as well as take the opportunity to develop the land with funds from BHPB however I would like to see more permanent housing options guaranteed in the mix or as a component to the plan for the precinct to proceed.</p> <p>While Port Hedland is aiming to be a city status, I fear we will be a ghost town, a facade in the midst of dust and huge compounded camps.</p> <p>We might look like we have the trapping of a nice new town but we won't actually have the permanent residency here that goes to make up 'community'. As you would know, endless studies have shown that 'community' adds many things to a town including security and well-being as well as increased participation in regard for a living, social and cultural environment.</p> <p>The shire still only has less than 6,000 rateable properties.</p> <p>What happened to the idea of integrating the work force into living here in Hedland?</p> <p>-It wasn't that long ago that both BHP and FMG had both made huge commitments to employ and support a local workforce. These appear to be broken promises, put up at a time to gain approval for expansion projects and then changed in line with their agendas. I'm also worried that the FIFO work force will actually be greater than the number of permanent residents and the pressures will that create on already limited facilities.</p>	<p>As the projects are completed and brought on line there will be the need to house permanent operational staff.</p> <p>BHPB is seeking approval from the State Government for the outer harbour project under the existing Goldsworthy State Agreement. The ToPH has successfully advocated that this include the requirements for a community development plan and local content plan. The State has supported this proposal and recently amended legislation to require these plans.</p>

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<p>A.A. Carter J. Van Uden</p> <p>Carter Agencies</p> <p>BUSINESS AGENTS, CONSULTANTS,</p> <p>6 Anderson Street Port Hedland WA 6721</p> <p>Tele: 917 31086</p>	<p>I wish to lodge an objection against the proposed development on Town of Port Hedland land at the International Airport.</p> <p>I do not agree we dispose of any airport land to developers, especially identified as a warehouse. I consider the proposal should be on the same basis as a campsite lease for ten years.</p> <p>The financial benefit can still be retained as the lease valuation is indicated as \$100 per square metre which is \$1 Million more than the proposed freehold transaction, and we still have the option of 3 by 5 year extensions.</p> <p>My other concerns relate to the \$40 Million payment. Is this a non-returnable payment in the event that the outer harbour is not completed, or the economic situation deteriorates in the purchase of product, and the project is delayed or deferred? What happens to the buildings and improvements at the conclusion of the ten years and BHP do not wish to extend their option? Are they removed, or willed to Town of Port Hedland, or sold to a third party?</p> <p>As this project is for the outer harbour programme, I can not realistically foreshadow a TWA camp for 25 years. Why would you wish to include 3 x 5 year extensions in your business programme?</p> <p>I understand these options are subject to negotiations with council, however no indication of the final distribution of these assets is shown on the business plan. A social impact study has not been implemented and is certainly a necessary requirement for such an imposition on our town's future planning.</p>	<p>Only Lot 34 is proposed to be sold to BHPB for the purpose of a warehouse facility; with Lot 35 being leased to BHPB for a TWA. The remaining proposed lots will undergo a separate disposal process once the Certificates of Title have been created. Disposal includes sale or lease and will be subject to a Council decision.</p> <p>The business plan proposes prepayments of the lease fee for Lot 35 of \$31M, and \$9M for the sale of Lot 34 to BHPB; with a condition that the funds be utilised to assist in funding the redevelopment of PHIA. The business plan indicates that the \$31 million is a prepayment of the lease and that the \$9 million for the proposed sale of Lot 34 is only payable upon execution of the relevant contract and prior to the issue of a Certificate of Title. The ToPh has advised that neither of these payments are dependent upon whether the Outer Harbour is completed or otherwise. The business plan does not mention what happens to the buildings and improvements at the end of the lease, inclusive of exercising of options.</p>

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<p>Ford Murray Fortescue Metals Group Level 2 87 Adelaide Terrace, East Perth WA 6004 Tele: 6218 8888 Email: fmgl@fmgl.com.au</p>	<p>This letter report provides the Town of Port Hedland with comment following our read of the “Business Plan for the Development of Precinct 3’ (the Plan) in Port Hedland.</p> <p>Fortescue Metals Group Limited supports the concept of Transient Worker Accommodation (TWA) for construction purposes and understands the drivers behind this initiative between BHP Billiton and the Town of Port Hedland. We welcome local government’s appreciation of the difference between the imperative of housing a short term construction workforce and this being different from the longer term aspiration of accommodating an operations workforce in accordance with the <i>Pilbara Cities Vision</i>.</p> <p>Measures such as proposed on Lot 35 (TWA proposal) will assist in alleviating the current catch-22 nexus between increasing housing shortages and inadequate temporary housing to accommodate the workers necessary to remedy the situation.</p> <p>Fortescue recommends four important items of further consideration prior to Council formalizing its decision pertinent to Lot 35.</p> <p>1. Social Impact of 6,000 person TWA:</p> <p>If TWA’s are correctly operated and managed, potential social impacts can be minimal. However, the Business Paper does not elaborate in this respect.</p> <p>In the normal course of events, workers residing in such facilities have shift practice and work obligations that, when linked to their fly-in and fly-out arrangements, tend to preclude them from overburdening the current urban fabric and social circumstances of a Township, which in Port Hedland’s instance is already feeling the strain.</p> <p>However, if proper TWA management and facilities are not satisfactory and the workers accommodated within the TWA have shift patterns including successive roster days-off; then there may be a propensity for adverse social impact.</p>	<p>BHPB has proposed establishing a Community Integration Committee that will investigate and oversee all activities to minimise the negative impacts of the proposed TWA facility and to maximise community and business integration opportunities.</p> <p>BHPB will provide \$200,000 towards integration and development studies for this committee. With the assistance of the ToPH, a community and small business integration strategy will be commissioned after the initial BHPB TWA development of 2,000 construction workers, and prior to the commissioning of additional stages of the TWA.</p>

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<p>Ford Murray Fortescue Metals Group Level 2 87 Adelaide Terrace, East Perth WA 6004 Tele: 6218 8888 Email: fmgf@fmgf.com.au</p>	<p>Assessing and mitigating potential social side effects is a critical task that needs to be completed prior to approval.</p> <p>Recommendation 1:</p> <p>That Council initiates an independent social impact assessment as a condition before approval of the Development application.</p> <p>Recommendation 2:</p> <p>That the TWA Development Approval includes a condition of approval in words to the effect requiring independently certified best-practice management, accommodation, and in-house facilities sufficient to meet the needs of its resident workers. At commencement and throughout the life of the TWA facility, its operation is subject to a current certificate to operate issued by Council in accordance with independent certification.</p> <p>2. Lifespan of 6,000 person TWA:</p> <p>The life-span and operational/tenure arrangements of the TWA proposed on Lot 35 are not clearly defined.</p> <p>TWA's such as proposed are acceptable only as a short-term necessity for construction purposes because of a lack of alternative worker accommodation.</p> <p>Ten years appears longer than what should be necessary to remedy the current situation justifying such a measure as proposed for Lot 35.</p> <p>Recommendation 3:</p> <p>That the TWA Development approval includes a condition of approval in words to the effect that its ongoing operation and certificate to operate is justified on an annual basis after its initial five years of operation and that this assessment is transparent and open to the public.</p>	<p>BHPB is seeking approval from the State Government for the outer harbour project under the existing Goldsworthy State Agreement. The ToPH has successfully advocated that this include the requirements for a community development plan and local content plan. The State has supported this proposal and recently amended legislation to require these plans.</p> <p>The business plan provides for an initial term of 10 years, with 3 options of five year extensions. Therefore the lifespan, based on demand for the TWA, could be as short as 10 years, or for a maximum of 25 years.</p>

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<p>Ford Murray</p> <p>Fortescue Metals Group</p> <p>Level 2</p> <p>87 Adelaide Terrace,</p> <p>East Perth WA 6004</p> <p>Tele: 6218 8888</p> <p>Email: fmgl@fmgl.com.au</p>	<p>Recommendation 4:</p> <p>That the TWA facility is not made available for long term FIFO operation workers.</p> <p>3. Transparency of Agreements Relating to TWA;</p> <p>Government and stakeholder alignment is critical to successfully implementing the Pilbara Cities Vision and the resultant outcomes for the Town of Port Hedland. This Business Plan for the Development of Precinct 3 is an important element in implementing the Growth Plan for Port Hedland.</p> <p>Fortescue believes that all agreements between BHP Billiton and the Town of Port Hedland and/or the State Government need to be transparent to the public and other third parties that propose short term TWA developments for construction workforces are granted equal consideration by Council.</p> <p>Recommendation 5:</p> <p>Agreements between BHP Billiton and the Town of Port Hedland and/or the State Government are transparent to the public and do not provide for any preferential treatment in any respect.</p> <p>Recommendation 6:</p> <p>That other third parties which propose short term TWA developments for construction workforces are granted equal consideration by Council.</p> <p>Fortescue thanks Council for this opportunity for constructive comment on this development application.</p>	<p>The local government has a statutory obligation to ensure that the TWA is only utilised according to its permitted use, and any conditions imposed on the development approval granted.</p> <p>The local government has an obligation to consider any proposal on its merits.</p>

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<p>Darren Batty Manager Commercial Airports Projects Qantas Airways Limited Qantas Centre 203 Coward Street Mascot NSW 2020 Tele: 02 9691 4582</p>	<p>Thank you for the opportunity to comment on the proposed development of Precinct 3 at Port Hedland International Airport and for your briefing on 15 December.</p> <p>Qantas Airways fully supports this development as it is consistent with the Airport Master Plan and will greatly assist funding the development of the passenger terminal and apron. The proposal is a sensible use of the land which, in our view, is surplus to aviation requirements. We presume that the development will not create any issues with obstructions for aircraft take-offs and landings.</p> <p>If you require Qantas' assistance for any matters in the future with regards to this project or the proposed terminal expansion please do not hesitate in contacting me on 02 9691 4582. I will continue to discuss the proposed plans directly with your Manager Infrastructure Development, Jenella Voitkevich.</p>	<p>The ToPH prepared the Port Hedland Land Use Master Plan (LUMP) in 2007. A number of discussion papers were prepared to provide concepts and ideas feeding into the preparation of the LUMP. Discussion paper number 3 related to infrastructure, and included identification of land on the southern side of the airport for potential industrial subdivision.⁵</p>

⁵ Page 73 of the Port Hedland Land Use Master Plan, published 2007.

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<p>Camilo Blanco President Wedgefield Association</p>	<p>I represent the residents and ratepayers of Wedgefield. In the business plan proposal there are things that are concerning to all residing in Hedland and I believe the majority of ratepayers in Hedland will agree with me.</p> <p>After reading the business plan in full, it is surprising to find very little information. The proposal has been carefully put together to eliminate any down side from the project. The advertisements have all been very positive news as well.</p> <p>Before I go on I'd like to say I'm not opposed to this development I would like to see it go ahead but the down side of this project is far too great for the town to cope with. This project is going to change our town as we know it, for the worst.</p> <p>The Town of Port Hedland and some counsellors are trying to push this Proposal as the biggest and best deal that has ever been attempted and a saving financial grace, but I believe that to be far from the truth.</p> <p>The business plan states that the revenue is solely to be used on the airport expansion and upgrade, so how can you claim that it will be financially beneficial to ratepayers. The airport is big enough for the local people.</p> <p>The expansion and upgrade of the airport is needed for the big mining companies to transform their workforce into a "fly in fly out" arrangement, that being the case they need to fund the airport expansion themselves.</p> <p>In BHP's presentations they are showing maps of the outer harbour expansion. These maps are not in the business plan, it is not clear to the residents and ratepayers, that have not attended these meetings where the traffic flow is going to be concentrated.</p> <p>This will have a direct impact on Wedgefield. Wedgefield's road infrastructure is in a sad state of repair, the road system is too narrow for the constant roadtrain movements. The town does not have the funds to initiate an upgrade and do not have an upgrade plan in place.</p>	<p>The business plan proposes that the prepayments relating to Lots 34 and 35 are to be quarantined and utilised solely for the airport redevelopment. Income from the remaining 37 developed lots, derived from proceeds of sale, or lease, is to be expended at Council's discretion. The expansion of the airport has been identified as a 'quick-win' in the draft PPCGP.</p>

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<p>Camilo Blanco President Wedgfield Association</p>	<p>The Precinct 3 Proposal will generate a substantial amount of extra traffic to the area and there is no reference or solutions in the business plan to remedy this problem. Firstly a revised business plan needs to be issued with greater detail and clarification into all the effects that will burden the town.</p> <p>As the business plan and the advertisements say, this is a private treaty, if due care and diligence in all aspects of the planning process were followed, that being the case, answering all my questions in detail with solutions that The Town of Port Hedland and BHP have come up with, to combat the issues that will arise should not be a problem.</p> <p>I am sure the town and BHP will have the best interests of the town at heart.</p> <p>There are a few questions below that will need to be answered on this issue;</p> <ul style="list-style-type: none"> ▪ Has an investigation been conducted into the dramatic increase in traffic that will take place when the precinct 3 proposal is approved? ▪ Have there been discussions with main roads about the traffic issues and solutions? ▪ If there have been discussions with main roads why have they not been presented in the proposal? ▪ How will the traffic be managed at the intersection entry and exit of Great Northern Highway leading in and out of the camp? ▪ Who will pay for the upgrade of road infrastructure if it is needed at Great Northern Highway and the entry and exit of the proposed camp? ▪ How will the traffic be managed at the intersection of Great Northern Highway and Pinga Street leading into Wedgfield? ▪ Who will pay for the upgrade of road infrastructure if it is needed at Great Northern Highway and Pinga Street? 	<p>The ToPH has advised that a traffic assessment will be required to be submitted with the Development Application, which will address the impact on the surrounding network. The ToPH may then impose conditions on the Planning Consent issued requiring upgrades to the road network.</p>

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<p>Camilo Blanco President Wedgefield Association</p>	<ul style="list-style-type: none"> ▪ How will the traffic be managed at the intersection of Great Northern Highway and Finucane road leading into Wedgefield and Finucane island boat ramp? ▪ Who will pay for the upgrade of road infrastructure if it is needed at Great Northern Highway and Finucane road leading into Wedgefield and Finucane island boat ramp? <p>This proposal will exhaust the already depleted essential services the town has. There has been no mention of upgrading the numbers to suit the situation that will occur. There is no statistical modelling on; Workforce age, Male to Female ratio.</p> <p>In years gone by, there was a no tolerance policy in BHP to drugs, alcohol and anti social behaviour. These issues are not mention and will need serious consideration to ease the social impact the town faces with so many men in one area.</p> <p>Questions relating to that need answering, I have listed;</p> <ul style="list-style-type: none"> ▪ What will the proposed increase in numbers, of Police for Port and South Hedland when the precinct 3 proposal is passed? ▪ How will the Town of Port Hedland and BHP tackle the erosion of community safety with six thousand extra men in town? ▪ What will the proposed increase in numbers, of Doctors for Port and South Hedland when the precinct 3 proposal is passed? ▪ What will the proposed increase in numbers, of Nurses for Port and South Hedland when the precinct 3 proposal is passed? ▪ What will the proposed increase in numbers, of social services for Port and South Hedland when the precinct 3 proposal is passed? ▪ How will these extra service personnel be accommodated? 	<p>Local government has no direct control over these matters, as they are the responsibility of the State Government and its respective agencies. Reference is made to Pages 70-71 of the draft PPCGP which details the core community infrastructure requirements based on the initial growth model projections.</p> <p>BHPB is seeking approval from the State Government for the outer harbour project under the existing Goldsworthy State Agreement. The ToPH has successfully advocated that this include the requirements for a community development plan and local content plan. The State has supported this proposal and recently amended legislation to require these plans.</p>

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<p>Camilo Blanco President Wedgefield Association</p>	<p>In the business plan it states the transient workers accommodation will be six thousand, as well as four additional TWA sites. The Town of Port Hedland is proposing to develop more TWA sites in and around Hedland, effectively changing the population base from local residents, to the majority of people being FIFO. This is damaging the revenue that can be developed by housing the workforces in our town, permanently. The proposal is for ten years + three, five year options, this is not a temporary workforce, this is a long-term project and should be integrated into the Hedland community with housing plans to suit.</p> <p>Questions relating;</p> <ul style="list-style-type: none"> ▪ How many transient persons does the town anticipate will be working in Hedland in total, taking into consideration all the other projects that are in the pipeline? ▪ Accelerated deterioration of our infrastructure will occur with six thousand construction workers, who will be responsible for the payment and repair of that deterioration? ▪ Where does the town anticipate this funding will be extracted or generated from? ▪ Have there been discussions with the state in the lead up to this proposal to acquire funding for the maintenance and upgrade or replacement of our ageing infrastructure? ▪ How does the town and BHP plan to retain the services of our dwindling number of small business? ▪ Will BHP be using local business to supply all aspects of the proposed camps consumable needs? ▪ Will there be a “buy local policy” from BHP to support local business? ▪ What plan is in place to open the door to more travel options for local people? ▪ What developments within the precinct 3 proposal are in place to develop Port Hedland as a gateway to tourism? 	<p>The AEC Group has provided the following comment:-</p> <p><i>The implications to current and likely future tourist accommodation establishments are expressly examined on slides 16 and 17 of the report and found that even with additional TWA capacity in Precinct 3, there will remain a shortfall in FIFO accommodation as at 2016. This suggests that the implications to existing tourist accommodation establishments catering to FIFO workers will not be affected, as strong demand will remain, despite BHP’s operational decision to consolidate some of its accommodation requirements.</i></p> <p>Infrastructure assets under the care, control & management of the Town are the responsibility of the Town to maintain, repair and renew. BHPB will be paying rates on the TWA, similar to any other ratepayer, with these funds being used by the Town to fund its operations and capital improvements.</p> <p>The Town also receives State and Commonwealth government funding for upgrade and maintenance of road infrastructure, generally based on the length and the type of construction of the network.</p>

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<p>Camilo Blanco President Wedgfield Association</p>	<p>The town has said the Airport expansion will open the door to more travel options and develop Port Hedland as a gateway for tourists as well as diversifying our economy away from sole reliance on the resource industry. One way to achieve that inflated proposal is to push the marina project into the development stage but as you are well aware, BHP is strongly opposed to the marina development and will not support or fund, in part, the proposal. BHP's objection relates to pleasure craft or fishing boats interfering with the heavy congested traffic that will be generated by the inner and outer harbor expansion. BHP does not want anyone in that area.</p> <p>Questions Relating</p> <ul style="list-style-type: none"> ▪ Considering BHP is opposed to the Marina project on the bases of pleasure craft and fishing boats interfering with day to day operations, what will the town do about our town boat ramp that leads directly into the harbor? ▪ If it is going to be moved where will it end up? ▪ Who will pay for the relocation? <p>For this proposal to go ahead the compensation package needs to be significantly bigger from BHP with a plan in place for the upgrade of town facilities as well as the town actively seeking funding from the state or federal government to upgrade or replace core needs like primary schools, High schools, day care facilities</p> <p>I may be going off track a little bit here but you, the town and BHP are saying Hedland is moving towards a population of 50,000 and a key element of the Town of Port Hedland's "Port City Growth Plan" is to develop land near the airport known as Precinct 3. That being the case it is all relevant when you look at the whole picture, furthermore the "Port City Growth Plan" Has not been adopted by The Town of Port Hedland to replace the "Town Planning Scheme 5" and it has not been approved by the WA planning Commission so why is it being quoted by BHP as the direction of council.</p>	<p>This issue may be referred to Port Hedland Port Authority for more information. Investigations are currently being conducted into proposed alternative ramps and funding scenarios. This is a separate matter to this proposal and is a result of the overall growth of the town.</p> <p>The Port Hedland International Airport Land Use Master Plan identifies Precinct 3 for inter alia TWA, light industry and bulky goods retail (Big Box Retail). This has been firmed up by the Draft Port Hedland City Growth Plan.</p>

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<p>Camilo Blanco President Wedgefield Association</p>	<ul style="list-style-type: none"> ▪ Has the Port City Growth Plan been officially adopted by council? ▪ Has the Port City Growth Plan been officially approved By the WA Planning Commission? ▪ Has BHP been advised by The Town of Port Hedland that “The Port City Growth Plan” is the current legal document that the Town is following? <p>The proposed camp is directly affected by the Oil Energy Site in Wedgefield. This has been a problem for the people of Wedgefield for many years with no answers or solutions from the town or state. If you are not aware you will need to take a look for yourself, the emissions from that site blow in that direction every night you can see it plain as day. Exposing thousands of people to the effects that are well documented and the town is fully aware of, some of those effects are; headaches, nausea, vomiting, asthma attacks, eye irritation, nose bleeding to name a few.</p> <p>If you have been truthful with your answers the real scenario will be emerging, that the ratepayers of the town will be no better off, in fact I can see the price of living, our rates and services in this town inflating immensely.</p>	<p>The Pilbara Port City Growth Plan is still in draft form, however it is our understanding that the Plan has been subject to community consultation and no objections were received in regards to TWA developments within Precinct 7.</p> <p>It is our understanding that the ToPH has referred the Draft Pilbara Port City Growth Plan to the WAPC for consideration and comment.</p>

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<p>Jayde Hooper</p> <p>Email: jaydehooper@bigpond.com</p>	<p>Hey Mum, What do think???</p> <p>4 of us went out to Port Haven for dinner last night.</p> <p>No wonder FIFO don't come into the town and use what we have!!!</p> <ul style="list-style-type: none"> - Great income very little expenses- - cheap and tasty "all you can eat" meals - amazing sports and recreational programmes and facilities <p>It has its own community and our town seems to have very little to offer after seeing this facility</p> <p>We all wanted to become FIFO after seeing this facility...how sad for our town!!!</p> <p>WHAT WOULD IT TAKE FOR LOCALS FOR ENJOY FULL ACCESS FOR THESE FACILITIES TOO???</p> <p>I have been in this town for over 10 years. I have watched many people get rich here then buy a house or 2 and move elsewhere once they have made their fortune.</p> <p>WHAT WOULD IT TAKE FOR MONEY TO BE PUT PACK INTO PORT HEDLAND????</p> <p>Jayde</p>	

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<p>Ms Rosie Vrancic President</p> <p>Ms Jan Ford Spokesperson</p> <p>on behalf of Port Hedland Community Progress Association – Port Hedland Incorporated (PHCPA Inc)</p> <p>Tele: 08 1973 4597</p> <p>Email: janford@westnet.com.au</p> <p>And</p> <p>Ms Lisa Bowen</p> <p>on behalf of Soroptimists International – Port Hedland (SIPH)</p> <p>Tele: 08 1973 1303</p> <p>Email: siporthedland@hotmail.com</p>	<p>The members of the PHCPA Inc acknowledge the need for FIFO camp accommodation to support the massive expansion by BHPBIO for construction purposes, but are very disturbed about the lack of long term planning for industry needs for accommodation in Port Hedland.</p> <p>The members of the SIPH acknowledge the need for FIFO camp accommodation to support the massive expansion by BHPBIO for construction purposes, but are very disturbed about the lack of long term planning for industry needs for accommodation in Port Hedland.</p> <p>BHPBIO has been planning for expansion since early 2002 and was aware of the need for extra accommodation. The Town of Port Hedland has been reviewing the town planning scheme number “5” since 2003 with the commencement of the “Enquiry by Design” followed by the “Land Use Master Plan” and now the current “Growth Plan”. Groups such as PHCPA Inc have worked with the Soroptimists International Port Hedland and have been actively involved in public sessions run by Industry, Government and Council to ensure we planned a sustainable and functional city of Port Hedland, and did not repeat the mistakes of the 1970’s, 1980’s and the mid 1990’s from the HBI construction.</p> <p>The Pilbara Development Commission has funded several enquiries and studies into “housing” in the Pilbara and the effects of FIFO on communities since the late 1990’s. These studies are now common throughout Australia as the effect of FIFO filters throughout our nation.</p> <p>Although these studies and plans clearly identify the problems of FIFO communities and the need for adequate and early planning for construction workforces creating sustainable cities and communities, we are still experiencing reactive planning instead of proactive planning.</p> <p>The Town of Port Hedland once had a CEO who stated he <i>“had seen so many planning documents on the Pilbara and did not want our planning document to become dusty documents sitting on a bookshelf. “ He insisted “Industry, Business, Community and all levels of Government be honest and upfront with their expansion plans so a collaborative approach to planning for Port Hedland could be successful.”</i></p>	<p>The draft Port City Growth Plan takes into consideration the short, medium and long term need not just for residential purposes but industrial and commercial. The Town is currently preparing an implementation plan to ensure that the demands identified by the draft Pilbara Port City Growth Plan are met.</p>

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<p>Ms Rosie Vrancic President</p> <p>Ms Jan Ford Spokesperson</p> <p>on behalf of Port Hedland Community Progress Association – Port Hedland Incorporated (PHCPA Inc)</p> <p>Tele: 08 1973 4597</p> <p>Email: janford@westnet.com.au</p> <p>And</p> <p>Ms Lisa Bowen</p> <p>on behalf of Soroptimists International – Port Hedland (SIPH)</p> <p>Tele: 08 1973 1303</p> <p>Email: siporthedland@hotmail.com</p>	<p>The Department of Minerals and Energy has been promoting FIFO since the early 2000's. State government departments have not invested in adequate infrastructure to support growing sustainable communities in the Pilbara. Our current tax system penalizes companies who support permanent residential workforces and encourages FIFO. For example a FIFO worker costs a company between \$70 000 - \$90,000 per year and is a tax deductible expense. An average house for a permanent residential worker is now almost \$1,000,000, and is a capital expense on the balance sheet, reducing much needed capital for industry expansion.</p> <p>Mining requires long term planning, long term investments, and long term people. BHPBIO can plan for 40-50 years of mine life, and state government must give approvals for every expansion plan, so surely the local Council can be involved in planning with BHPBIO and State Government for the most important asset.....the people to operate it. They all need to sleep, and need accommodation, so must be included in planning from the beginning, not at the end.</p> <p>PHCPA Inc members have spoken many community members over the years, and found they all understand the shortage of accommodation in Port Hedland and how it would lead to a FIFO community. So why have we failed in our plans for a sustainable city with permanent population? And why are we now looking at proposals such as this one for another 6,000 person camp in town that has not been mentioned or planned in any of the above mentioned planning documents?</p> <p>Effective planning requires industry, all levels of Government and council to work together and plan for a sustainable community. Both BHPBIO and government have known for over 5 yrs that they would experience a shortage of workforce accommodation. Therefore it is disappointing that a proposal for FIFO camps on the airport land and sale of part of the land by private treaty was not mentioned or addressed in Council's "future growth" planning document, when BHPBIO was actively involved in the development of the document.</p> <p>The result is 6,500 houses for a town that is to become a city with a residential workforce of approximately 14,000 and an estimated</p>	

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<p>Ms Rosie Vrancic President Ms Jan Ford Spokesperson on behalf of Port Hedland Community Progress Association – Port Hedland Incorporated (PHCPA Inc) Tele: 08 1973 4597 Email: janford@westnet.com.au And Ms Lisa Bowen on behalf of Soroptimists International – Port Hedland (SIPH) Tele: 08 1973 1303 Email: siporthedland@hotmail.com</p>	<p>construction workforce of over 10,000.</p> <p>PHCPA Inc have canvassed many members of the community who state that it is imperative that we manage the future of the town, to ensure we establish diverse industries to support the north, the state and the remainder of Australia, beyond the construction boom.</p> <p>PHCPA Inc agree it is too late to stop this proposed FIFO camp, so therefore request that the following areas be addressed to enhance the livability in Port Hedland during this time of massive expansion, and look toward a legacy for Port Hedland and our children's children.</p> <p>The main areas of concern identified are by way of Community Benefit:-</p> <p>Residual Use of the FIFO Camp</p> <p>Council agreed to lease the original 1100 worker camp for a 10 year period in return for defined "community benefit". This included the building construction upgrade and conversion to "university student accommodation" at the end of the lease in March 2019. The ownership of the land remains with Council.</p> <p>The target for student accommodation is 10,000 by 2020. This proposed development provides 6,000 single rooms which could mean 7,000 of the 10,000 target in the next 10 years, being 2021.</p> <p>Please ensure a legacy of much needed accommodation remains for the Town of Port Hedland and our university becomes a reality.</p> <p>Access to the Camp and Facilities to the Public</p> <p>If we must have a FIFO camp, it is important for all residents of Port Hedland to "belong". Interaction with locals assists in normalizing FIFO workers experiences in Port Hedland and assists with maintaining good mental health and wellbeing.</p> <p>Port Hedland residents enjoy access to the dining room at Port Haven, and this has proven successful, but they are prohibited from the cinema and Gym. It would be beneficial for more public interaction between FIFO workers and residents of Port Hedland to build healthy relationships.</p>	<p>BHPB is seeking approval from the State Government for the outer harbour project under the existing Goldsworthy State Agreement. The ToPH has successfully advocated that this include the requirements for a community development plan and local content plan. The State has supported this proposal and recently amended legislation to require these plans.</p> <p>BHPB has proposed establishing a Community Integration Committee that will investigate and oversee all activities to minimise the negative impacts of the proposed TWA facility and to maximise community and business integration opportunities.</p> <p>BHPB will provide \$200,000 towards integration and development studies for this committee. With the assistance of the ToPH, a community and small business integration strategy will be commissioned after the initial BHPB TWA development of 2,000 construction workers, and prior to the commissioning of additional stages of the TWA.</p>

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<p>Ms Rosie Vrancic President</p> <p>Ms Jan Ford Spokesperson</p> <p>on behalf of Port Hedland Community Progress Association – Port Hedland Incorporated (PHCPA Inc)</p> <p>Tele: 08 1973 4597</p> <p>Email: janford@westnet.com.au</p> <p>And</p> <p>Ms Lisa Bowen</p> <p>on behalf of Soroptimists International – Port Hedland (SIPH)</p> <p>Tele: 08 1973 1303</p> <p>Email: siporthedland@hotmail.com</p>	<p>Please ensure interaction between local residents and FIFO workers.</p> <p>Traffic Management at the Walkabout Hotel</p> <p>The area along Great Northern Highway opposite the airport is poorly lit, and has experienced several fatalities over recent years. Please ensure this risk is assessed with the future development and the encouragement of single people in the area.</p> <p>Please ensure safety is addressed in this area.</p> <p>Overpasses for Safe Traffic Flow</p> <p>The roads of Port Hedland were designed for 15,000 people. Extra road trains, vehicular traffic and FIFO transportation have created congestion particularly at the walkabout area, and the T junction intersection of the airport road and the Great Northern Highway. Safety has become a serious concern. Safe traffic flow requires over and under passes.</p> <p>Please insist on safe overpasses on the roads.</p> <p>Sale of Council Free Hold Land</p> <p>The sale of the freehold land by private treaty is unnecessary and a result of short term thinking. Commercial land is commonly leased land. The Port Authority leases land to proponents on 20-50 year leases which enables the development of the land by the user or other party, yet retains the ownership of the land with the state. The user leases the land on a long term lease which gives security to the leaseholder. It is common practice for the State to lease land on long term leases to industry for development and is very common in Port Hedland.</p> <p>Council could do the same with the Airport land and free up more land for similar developments.</p> <p>If Council retains ownership and sells the lease it provides for a long term income stream for future generations. Once the land is sold this opportunity is lost.</p>	<p>The ToPH has advised MRWA are constructing a bypass road at the intersection of GNH and the Broome turnoff. This will have an overpass to separate traffic in different directions. All other issues may be addressed in the traffic assessment that will be required as part of the Development Application process.</p> <p>The business plan proposes that one lot be sold and the other leased. The local government is required to dispose of land as detailed in Section 3.58 of the Local Government Act, which is by:</p> <ul style="list-style-type: none"> ▪ Public Auction; ▪ Public Tender; or ▪ Private Treaty. <p>The ToPH can consider different disposal methods, such as sale or lease.</p>

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<p>Ms Rosie Vrancic President</p> <p>Ms Jan Ford Spokesperson</p> <p>on behalf of Port Hedland Community Progress Association – Port Hedland Incorporated (PHCPA Inc)</p> <p>Tele: 08 1973 4597</p> <p>Email: janford@westnet.com.au</p> <p>And</p> <p>Ms Lisa Bowen</p> <p>on behalf of Soroptimists International – Port Hedland (SIPH)</p> <p>Tele: 08 1973 1303</p> <p>Email: siporthedland@hotmail.com</p>	<p>TOURISM OPPORTUNITIES</p> <p>In addition to the above issues, SIPH are keen to see a diverse and sustainable community supported by industrial Tourism and have identified the following:</p> <ul style="list-style-type: none"> • Industrial Playground Several Industry Leaders have indicated their desire to educate children in the mining industry by way of industrial play equipment. Children and parents could learn the terminology of the industrial equipment and encourage young people into the mining industry in the future. This industrial playground could be similar to “SciTech” in Perth City. • Indoor Play Centre Many young mothers have requested an indoor play centre for children with a cafe and facilities to meet and greet. Keeping young families occupied with recreational facilities helps keep a happy workforce. • Indigenous Artist Centre Suggestions have been made for a cultural art centre near the airport featuring indigenous art and as an outlet for purchases by FIFO’s and Tourists. • International Airport to Include Facility for International Passenger Trade. An extra 6,000 FIFO workers at the airport requires upgrade to the airport. Port Hedland International Airport is proposed as a freight hub with flights from Singapore delivering freight for short term industrial construction. As the airport is going to be upgraded it would be wise to include in the facility, the ability to accommodate international passengers to enable a tourism from Singapore. 	<p>The ToPH has advised that planning is currently underway for a range of parks / public open space areas to be developed with an industrial theme with locations in Port and South Hedland.</p> <p>The ToPH has advised that the feasibility of a range of entertainment facilities / options throughout Port Hedland is currently being investigated.</p> <p>The ToPH has advised that an aboriginal cultural centre is being planned within the Wanka Maya facilities adjacent to the South Hedland CBD.</p> <p>The ToPH has advised that concept plans for the redevelopment of the Port Hedland International Airport have been prepared and include improvements to international facilities.</p>

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<p>Ms Rosie Vrancic President</p> <p>Ms Jan Ford Spokesperson</p> <p>on behalf of Port Hedland Community Progress Association – Port Hedland Incorporated (PHCPA Inc)</p> <p>Tele: 08 1973 4597</p> <p>Email: janford@westnet.com.au</p> <p>And</p> <p>Ms Lisa Bowen</p> <p>on behalf of Soroptimists International – Port Hedland (SIPH)</p> <p>Tele: 08 1973 1303</p> <p>Email: siporthedland@hotmail.com</p>	<ul style="list-style-type: none"> • 5-6 Star Ocean Front International Hotel <p>The people of the town of Port Hedland have been promised a 5 star hotel on the old school site next to the hospital since August 2007. The sign is still on the site, yet no progress has been made. The adjoining old hospital site has been vacant for almost 2 yrs and Port Hedland still does not have a 5 or 6 star hotel. This Government owned prime ocean front land remains vacant, while residents are pressured to rent out individual rooms to visitors, as the current 2-3 star hotels are booked out months in advance.</p> <p>In October 2011 a cruise ship visited Port Hedland carrying 2,500 passengers, many of whom were shareholders in companies operating in Port Hedland. Many of these passengers were intrigued by the industrial tourism and the cruise was so successful, the cruise company has another ship due to arrive in March 2012. Tourism is a growing industry in this town. We have unique rock art dating back 8,000 years and indigenous art, bush tucker and tourism amongst other attractions. It is important for Port Hedland to develop a diverse industry base during this construction boom and an international hotel is necessary.</p> <ul style="list-style-type: none"> • Please insist State Government releases the ocean front land and a quality 5-6 star hotel is constructed in 2012 • Marina at the Yacht Club <p>A Marina has been promised at the yacht club for 2 decades. A new yacht club has been recently constructed at the cost of more than 2 million dollars. It is important to complete the Marina and construct the hotel to provide recreation for a growing town to become a city. This will also boost tourism and provide much needed recreation facilities for our residents. Plans have been finalized showing a safe boat harbor, and allows the contentious “main street jetty” to be relocated back to the yacht club, to free up the busy channel for industry shipping.</p>	

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<p>Ms Rosie Vrancic President</p> <p>Ms Jan Ford Spokesperson</p> <p>on behalf of Port Hedland Community Progress Association – Port Hedland Incorporated (PHCPA Inc)</p> <p>Tele: 08 1973 4597</p> <p>Email: janford@westnet.com.au</p> <p>And</p> <p>Ms Lisa Bowen</p> <p>on behalf of Soroptimists International – Port Hedland (SIPH)</p> <p>Tele: 08 1973 1303</p> <p>Email: siporthedland@hotmail.com</p>	<ul style="list-style-type: none"> • Please insist the marina goes ahead at the yacht Club Location as per the long standing plans <p>Members of the PHCPA Inc have been extremely active in planning groups, partaking in surveys, sitting on Committees, and forming action groups to lobby Government for planning reform in Port Hedland. PHCPA Inc is represented in many community groups and works closely with the BHPBIO community consultative group. PHCPA Inc is very aware that BHPBIO have informed Government of their plans for expansion several years ago, so it is most unusual that adequate land has not been made available to BHPBIO to fulfill their development obligations, especially with the establishment of the “Royalties for Regions “ and the “Office of Pilbara Cities” PHCPA Inc understood these measures would provide adequate accommodation facilities and reduce the need for such extreme FIFO Measures. PHCPA Inc members find it quite odd that adequate planning for accommodation is so far removed from planning for industry growth and expansion.</p> <p>Whilst PHCPA Inc appreciates not all these issues can be addressed at a planning level by Council directly, PHCPA Inc does believe Council has a powerful position in the planning of Pilbara Cities. Land release to private developers and tax reform are necessary to create Sustainable Pilbara Cities. State Government and industry have a duty to include the local Councils in FIFO and development. As each approval is granted to industry, a true calculation of housing requirements must be given to the PDC and local Council, or we will be playing FIFO catch up forever!!!!</p> <p>Thank you for the opportunity to comment on this proposal. PHCPA Inc is a voluntary organisation and members spend many hours on these community concerns and hope sincerely that one day their efforts will be acknowledged and evidenced by liveable, sustainable, diverse cities created through collaborative planning and long term vision.</p> <p>A copy of this submission has been sent to the Pilbara Development Commission, Pilbara Cities, and the department of State Development.</p>	

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<p>Ms Rosie Vrancic President</p> <p>Ms Jan Ford Spokesperson</p> <p>on behalf of Port Hedland Community Progress Association – Port Hedland Incorporated (PHCPA Inc)</p> <p>Tele: 08 1973 4597</p> <p>Email: janford@westnet.com.au</p> <p>And</p> <p>Ms Lisa Bowen</p> <p>on behalf of Soroptimists International – Port Hedland (SIPH)</p> <p>Tele: 08 1973 1303</p> <p>Email: siporthedland@hotmail.com</p>	<p>This submission has been prepared in conjunction with the Soroptimists International Port Hedland, members of the Chamber of Commerce, members of the Port Hedland Yacht Club, members of the Small Business Community and the Play group associations.</p>	

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<p>Evan Hall Chief Executive Officer Tourism Council WA PO Box 91 Burswood WA 6100 Tele: 9416 0705 Email: EHall@tourismcouncilwa.com.au</p>	<p>Thank you for meeting with myself on 12 December to discussed the proposed development of Precinct 3 at the Port Hedland International Airport to supply 60000 bed Temporary Worker Accommodation (TWA). Since our meeting I have consulted with Tourism Council WA members and I appreciate this opportunity to provide feedback on this proposed development. Our main issues are:</p> <ul style="list-style-type: none"> ▪ The existing short stay accommodation at the Town of Port Hedland (ToPH) has served the town for many years, bearing the cost of low occupancy and room rates when demand for rooms was lower. ▪ Leisure tourism demand for regional destinations is extremely weak. ▪ ToPH would have to make a significant investment in creating attractions and marketing the town to be able to even compete in the poor regional tourism market. ▪ The increasing FIFO workforce in town will push up aviation fares, hospitality costs and room rates, making ToPH a less price competitive destination. ▪ Leisure visitors have higher marketing and operational cost and less predictable demand than business travellers. ▪ Accommodation operators will struggle to compete with BHP to retain staff such as Chefs, further increasing room prices which the leisure market will not accept. <p>The AEC economic modelling in the Business Plan notes “Up to 1,000 beds of the new TWA may be utilised to consolidate BHPs workforce from existing TWAs and other accommodation”. In short, the planned supply of 6,000 beds exceeds future workforce growth and would specifically remove existing patronage from the existing supply of short term accommodation. This is planned oversupply of accommodation to displace existing providers who have served ToPH for many years. Any planned oversupply of accommodation is strongly opposed by the Tourism Council WA.</p>	<p>The AEC Group provided the following comments:-</p> <p><i>The consolidation of some FIFO accommodation from existing tourism accommodation establishments into dedicated TWA capacity was identified as a source of demand for the 6,000 bed capacity in Precinct 3 by BHP during the process. This needed to be taken into consideration in the supply/demand modelling for a true representation of market implications of the TWA.</i></p> <p><i>It is incorrect to state that there is an oversupply in accommodation. The implications to current and likely future tourist accommodation establishments are expressly examined on slides 16 and 17 of the report and found that even with additional TWA capacity in Precinct 3, there will remain a shortfall in FIFO accommodation as at 2016. This suggests that the implications to existing tourist accommodation establishments catering to FIFO workers will not be affected, as strong demand will remain, despite BHP’s operational decision to consolidate some of its accommodation requirements.</i></p>

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<p>Evan Hall Chief Executive Officer Tourism Council WA PO Box 91 Burswood WA 6100 Tele: 9416 0705 Email: EHall@tourismcouncilwa.com.au</p>	<p>Tourism Council WA strongly supports growth in leisure tourism but does not believe the current market for leisure tourism would replace the business lost to this oversupply of TWA. This would require a massive increase in leisure visitation inconsistent with recent tourism trends. This would only be remotely possible with a massive investment in new tourism attractions and marketing to overcome the increased cost and lost destination appeal of the expanded FIFO workforce in the ToPH.</p> <p>Summary and Recommendation:</p> <p>Tourism Council WA rejects the current business plan to oversupply short stay accommodation leading to lost business by existing short stay accommodation providers. Any new development of TWA should be limited to a supply level which would not reduce current occupancy levels in the existing accommodation.</p> <p>This supply level should be further modelled by AEC group and the scale and timing of TWA development discussed further with the tourism industry.</p>	

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<p>Mr Paul McQueen</p> <p>Counsel – Planning & Environment</p> <p>Lavan Legal</p> <p>The Quadrant</p> <p>1 William Street</p> <p>Perth WA 6000</p> <p>Tele: 9288 6000</p> <p>Email: paul.mcqueen@lavanlegal.com.au</p>	<p>Dear Mr Martin, Mayor and Councillors</p> <p>RE: Business Plan for the Development of Precinct 3 - Public Comment Period</p> <p>I act on behalf of a group of ratepayers in the West End of the Port Hedland town site and have been instructed to prepare a submission to express concerns regarding the Town of Port Hedland (Town) proposed Business Plan for the Development of Precinct 3 at the Port Hedland International Airport (Business Plan) which was advertised for comment on 12 November 2011.</p> <p>This submission is based on the following five premises:</p> <ol style="list-style-type: none"> 1. My clients understand and accept the identified need for long term growth in the Pilbara Region as identified in the draft <i>Pilbara's Port City Growth Plan</i> dated October 2011 (Growth Plan) and the resulting need for the sustainable growth of Port Hedland as a commercial and tourism centre that will be located in an attractive urban environment, conducive to a harmonious society, the enhancement of family life and of new opportunities for existing ratepayers and future generations of the Town. 2. As a fundamental principle, this submission contends that the proposed expansion of the Precinct 3 site for the purposes of Temporary Worker Accommodation (TWA) cannot result in the provision of facilities which are already provided, and which may unnecessarily duplicate or conflict with existing operations, and with appropriately zoned or approved areas in the West End or South Hedland. These outcomes would be contrary to the Town's existing statutory planning framework and the premise outlined at paragraph 1 above. 3. The Town and BHP Billiton (BHPB) should be required to provide more complete and accurate information in relation to the proposed TWA facility, in particular, clear data and statistics of the rate of occupancy and demographics profile of the 'construction workers' who will occupy the proposed site. The data is required in order to 	

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<p>Mr Paul McQueen Counsel – Planning & Environment Lavan Legal The Quadrant 1 William Street Perth WA 6000 Tele: 9288 6000 Email: paul.mcqueen@lavanlegal.com.au</p>	<p>allow informed commercial decision making to be made by existing providers of goods and services, government agencies and other providers of infrastructure.</p> <p>4. Further to premises 2 and 3 above, conditions should be imposed on Precinct 3, and the land proposed to be leased or sold to BHPB, in order to ensure that the existing facilities in the West End of Port Hedland are not compromised and the proposed TWA development does not inhibit in any way future government (local, state and national) and non-government enhancements or developments in the West End. My clients point out that the infrastructure in the West End of Port Hedland is currently in a poor state and requires significant budgeted investment and allocation of resources by the Town and government agencies, in order to achieve the policy objectives of the region. Any decision to develop the TWA (and similar large scale facilities) should not compromise or delay the proposed development of the West End, including the implementation of the recommendations outlined in the dust management plan and parking strategies prepared for that area.</p> <p>5. The Town should endeavour to provide and report further detail to the public of the wide range of financial, social and other costs and challenges associated with the proposed development before it proceeds. The current information released by the Town is inadequate in this regard.</p> <p>1 Background</p> <p>1.1 A Business Plan has been prepared with respect to a proposal for a Private Treaty Agreement to enter into a major land transaction between the Town and BHPB for land within the area known as 'Precinct 3' under the Port Hedland International Airport Land Use Master Plan (PHIALUMP).</p> <p>1.2 The subject site is located on the Great Northern Highway, approximately 13 kilometres south of the Port Hedland town site, and adjoining the south-west side of the Port Hedland International Airport (PHIA).</p>	

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<p>Mr Paul McQueen</p> <p>Counsel – Planning & Environment</p> <p>Lavan Legal</p> <p>The Quadrant</p> <p>1 William Street</p> <p>Perth WA 6000</p> <p>Tele: 9288 6000</p> <p>Email: paul.mcqueen@lavanlegal.com.au</p>	<p>1.3 The Town acquired the PHIA (including the subject site) in 1985, when the land was transferred from the Commonwealth Government to the Town. The subject site contains portions of:</p> <ul style="list-style-type: none"> ▪ Lot 31 on Plan 168968 and wholly contained within Certificate of Title Volume 1259 and Folio 730 ▪ Lot 2443 on Plan 212197 and wholly contained within Certificate of Title Volume 2212 and Folio 731 ▪ Lot 2444 on Plan 212197 and wholly contained within Certificate of Title Volume 2212 and Folio 731 ▪ Lot 11 on Plan 144237 and wholly contained within Certificate of Title Volume 1657 and Folio 119 <p>1.4 The subject site is owned freehold by the Town as part of the PHIA. BHPB is proposing to undertake a 40 lot subdivision of this land. The rationale for the proposed subdivision is to provide a much needed extension to the current Wedgefield estate by providing a land supply for Bulky Goods/Light Industrial/Commercial land uses and TWA sites for BHPB's construction workforce, a third party operator, and also parties undertaking City building projects.</p> <p>1.5 BHPB propose to undertake all subdivision works and cover all associated costs to service 39 of the 40 proposed lots. The remaining balance lot will be incorporated into the adjoining airport land. The subdivided lots (Lots 1-39) will range in size from approximately 1,838m² to approximately 60,000m² and will support uses such as 'Bulky Goods'/'Light Industrial'/'Commercial' and TWA (Lot 35).</p> <p>1.6 Upon completion of the subdivision, all of the lots (excluding proposed Lot 34) will remain in the ownership of the Town. Proposed Lot 34 will be purchased outright by BHPB.</p>	

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<p>Mr Paul McQueen</p> <p>Counsel – Planning & Environment</p> <p>Lavan Legal</p> <p>The Quadrant</p> <p>1 William Street</p> <p>Perth WA 6000</p> <p>Tele: 9288 6000</p> <p>Email: paul.mcqueen@lavanlegal.com.au</p>	<p>1.7 The basis for this proposal is to assist in providing accommodation for BHPB's FIFO (Fly in/Fly out) construction workforce. BHPB have forecasted a peak in demand for construction worker accommodation in the order of 6,000 additional beds to support their proposed growth program, and particularly the proposed Outer Harbour project.</p> <p>1.8 The Business Plan is currently advertised for public comment and that comment period expires on 28 December 2011.</p> <p>2 Issues</p> <p>The Town has signalled its desire not to see the Town's role as a tourism and commercial centre reduced in any way by this proposal. Accordingly, this submission is not intended to be contrary to the development contemplated in the Town, but is focused on the primary objective of the protection of the interests of ratepayers in the West End by ensuring that the TWA proposed in the Business Plan has been suitably designed and located to adapt to changing circumstances, and will provide ongoing benefits to (and not disadvantage) the wider community in the foreseeable future and beyond.</p> <p>2.1 Principal concerns</p> <p>My clients' principal concerns are in relation to the proposal in the Business Plan for the occupation and construction of the TWA on Lot 35 and in particular:</p> <ul style="list-style-type: none"> ▪ the lack of definition/data for the total number, monthly and yearly rates of occupancy, and demographics of the construction workforce; ▪ the nature of the facilities to be provided and exclusions on types of accommodation facilities, as the case may be; ▪ the long term use of the site, due to the uncertainty in relation to the use beyond 10 years of the subject site. My clients point out that considerable anxiety will arise from duplication or unnecessary competition with facilities already existing in the town; and 	<p>The business plan lacks information relating to these matters, however there is a question over the relevancy of this information in relation to the major land transaction proposal.</p> <p>The proposed TWA development will be subject to a development application and the precise nature of the facilities will not be known until that occurs. At this point in time there is an intent to construct up to a 6,000 bed TWA facility.</p> <p>The business plan does not address the long term use of the site.</p>

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<p>Mr Paul McQueen</p> <p>Counsel – Planning & Environment</p> <p>Lavan Legal</p> <p>The Quadrant</p> <p>1 William Street</p> <p>Perth WA 6000</p> <p>Tele: 9288 6000</p> <p>Email: paul.mcqueen@lavanlegal.com.au</p>	<ul style="list-style-type: none"> ▪ the imbalanced presentation of the proposal by the Town as a <i>fait accompli</i> and without any details provided of the clear risks, range of costs and negative aspects associated with the proposed TWA. <p>2.1 Issue 1 - Definition of the number, rate of settlement and demographic of the Construction Workforce</p> <p>2.2.1 There is a lack of detail in the advertised Business Plan regarding the rate, nature and demographics of construction workers to be settled on the subject site and this, as a consequence, prevents existing providers of goods and services within the town to make informed business planning decisions, and inhibits enterprise by potential investors. In particular, the basis for the 'need' for 6000 beds to house the Outer Harbour construction workforce is questioned by my clients as the Business Plan states:</p> <p><i>"BHPB have forecasted a peak in demand for construction worker accommodation in the order of 6,000 additional beds to support their proposed growth program and particularly the proposed Outer Harbour project."</i></p> <p>2.2.2 Ratepayers, the Town, business operators and other stakeholders in the West End (and elsewhere in Port Hedland) have inadequate data to make decisions until 2015 and to plan subsequently. They are left to assume that the demand is the result of internal modelling by BHPB, which is nebulous without details. Additionally, the economic model (and assumptions therein) used to predict increases of workers in increments of 2000/2000/2000 to a maximum of 6000 by 2020 and thereafter, is not disclosed. It is unclear as to how these figures were reached. It is also unclear from the Business Plan if the modelling takes into account staffing requirements of other BHPB projects or current or existing proposals by service providers to fulfil that need. Accordingly, the modelling that supports the assumption for the need must be clarified to ensure that</p>	<p>The proposal is currently subject to community consultation. No decision of Council has yet been made; and the development will be subject to further assessment and approval by the relevant agencies. It is noted that the business plan does not contain any risk analysis.</p> <p>The proposal outlined in the business plan discloses the potential development of the site; the arrangements to be entered into with BHPB in relation to:</p> <ol style="list-style-type: none"> (1) The subdivision and development of the site by BHPB; (2) The lease of lot 35 for a TWA development; and (3) The sale of Lot 34 to BHPB to develop a warehouse facility. <p>The business plan makes it quite clear that the development costs will be borne by BHPB, estimated at \$41M. The potential sale of Lot 34 for \$9M; and the potential lease of Lot 35 for the first 10 years at \$67.4M, which includes a prepayment of \$31M.</p> <p>In relation to the expected effect on other persons providing facilities and services in the district, the business plan details that the additional TWA sites will potentially relieve some of the pressure on the tourism accommodation and other third party facilities within the region, which are currently being utilised to house these workers due to the shortage of land capable of accommodating TWA developments.</p>

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<p>Mr Paul McQueen</p> <p>Counsel – Planning & Environment</p> <p>Lavan Legal</p> <p>The Quadrant</p> <p>1 William Street</p> <p>Perth WA 6000</p> <p>Tele: 9288 6000</p> <p>Email: paul.mcqueen@lavanlegal.com.au</p>	<p>BHPB have not over-estimated, and do not exploit, the use of the subject site for its non-construction operational workforce, or sub-lease out to non-construction sectors which would compete with existing and proposed accommodation suppliers appropriately located within Port Hedland's West End or the South Hedland Town Centre.</p> <p>2.2.3 Similarly, there is no indication in the Business Plan regarding the demographics proposed for the TWA. For example, the age, gender and family composition of the transient workers planned to be accommodated. The Town, ratepayers and business stakeholders need to be aware of how high the male proportion is and what the Town is able to do to manage a heavily male orientated transient workforce. My clients are of the view, for example, that it would be more appropriate to attract families (rather than single males) to the Town for a whole range of social reasons. Families are far more likely to integrate and contribute to all aspects of the community.</p> <p>2.2.4 Whilst the term 'Transient Workforce Accommodation' is defined under the Scheme, the terms 'Transient Worker(s)' and 'Construction Workforce' are not. This lack of clarity may allow for the unintended outcome of the use of the subject site by other members of the BHPB operational workforce, or subletting to 'non-construction' sectors.</p> <p>2.2.5 It is recommended that the terms 'Transient Worker' and 'Construction Workforce' are both defined in the agreement between BHPB and the Town after consultation with stakeholders, including my clients, and that the Town also initiates a Scheme amendment and/or local planning policy, to add weight to these definitions as follows:</p>	

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<p>Mr Paul McQueen</p> <p>Counsel – Planning & Environment</p> <p>Lavan Legal</p> <p>The Quadrant</p> <p>1 William Street</p> <p>Perth WA 6000</p> <p>Tele: 9288 6000</p> <p>Email: paul.mcqueen@lavanlegal.com.au</p>	<ul style="list-style-type: none"> • The term 'Construction Worker' should be defined as: <i>A professional, tradesman, or labourer who directly participates in the physical construction or demolition of buildings and infrastructure, and does not include management, administrative, and staff connected with providing support services.'</i> • The term Transient Worker should be defined as: <i>'A temporary or intermittent worker employed on one or more finite projects in or based in the Town of Port Hedland. It does not include a worker employed in the normal ongoing operation of any business or industry.'</i> <p>2.2.6 Further, there appears to be no consideration of (or comparison with) other suitable sites where these facilities are also able to be constructed and where there may be greater connection with the existing social infrastructure of the Town (i.e. consistent with the Town's planning framework).</p> <p>2.2.7 My clients submit that the Town's current planning framework requires transient workers to be accommodated closer to existing urban infrastructure, in order that they may contribute to the local economy and the local community. This is not evident in the Business Plan as it stands, indeed, the Business Plan actively discourages integration and contribution with the local community.</p> <p>2.2.8 My clients submit that a proposal which has the potential to impact negatively upon the social environment of Port Hedland needs to be considerably more comprehensive, to respond to the issues which this submission raises. The additional information which should be fundamental to such a proposal includes:</p> <ul style="list-style-type: none"> (a) The demographics of the population by age, gender, family structure, occupation and other relevant characteristics; (b) Projected population of the TWA by year and by month; 	

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<p>Mr Paul McQueen Counsel – Planning & Environment Lavan Legal The Quadrant 1 William Street Perth WA 6000 Tele: 9288 6000 Email: paul.mcqueen@lavanlegal.com.au</p>	<p>(c) The lengths of time that each of the categories of Transient Worker are likely to be in Town; and</p> <p>(d) What additional facilities are planned to be provided (if any) for these Transient Workers;</p> <p>(e) A comparison of other comparative sites where these facilities are also able to be constructed, and where there may be greater connection with the existing social infrastructure of the Town;</p> <p>(f) A considerably more comprehensive structure plan to be provided as part of the Business Plan, where reviewers are able to comprehensively understand the total planned facility which forms part of this Business Plan on the proposed site; and</p> <p>(g) Timing for the commencement of different stages of development.</p> <p>2.3 Issue 2 - The nature of the facilities to be provided</p> <p>2.3.1 The proposed TWA, by its very nature, is intended to be temporary and accordingly, the facilities to be provided within the TWA should be limited so as not to compete with existing land uses. However, there is a lack of adequate controls and/or long term management strategy shown in the Business Plan to ensure the temporary nature of the TWA facility (i.e. a restriction to use by construction workers only, quality of accommodation and a mechanism to ensure closure or approval for change of use when the TWA is not required).</p> <p>2.3.2 In particular, the provision of 3, 4 and 5 star hotel/motel accommodation is not expressly excluded within the TWA. The inclusion of these types of land uses within the TWA may compromise existing or planned hotels, motels, serviced apartments, and short stay accommodation within the Port Hedland West End and South Hedland Town Centre, and the nature of the accommodation types proposed should be detailed</p>	

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<p>Mr Paul McQueen</p> <p>Counsel – Planning & Environment</p> <p>Lavan Legal</p> <p>The Quadrant</p> <p>1 William Street</p> <p>Perth WA 6000</p> <p>Tele: 9288 6000</p> <p>Email: paul.mcqueen@lavanlegal.com.au</p>	<p>and competing hotel and tourist premises avoided.</p> <p>2.3.3 The Business Plan provides no protection to ensure that the TWA is used to accommodate only 'Construction Workers' for the Outer Harbour, as proposed, and the provision in the lease with BHPB allowing for it to be renewed (albeit to the satisfaction of the Council) is similarly inadequate to achieve any protection or certainty for the Council against the continuation of such activities.</p> <p>2.3.4 By way of example, if BHPB constructs the proposed accommodation, and then offer some or all of the rooms in the TWA as general accommodation to blue and white collar employees, then this will have a devastating affect on existing service providers who have invested Significant resources to investigate and develop existing sites in appropriately zoned areas of the Town. Existing service providers have been and will continue to provide opportunities for workers to interact and add value to the community.</p> <p>2.3.5 My clients note further that the infrastructure in the West End of Port Hedland requires significant investment in order to achieve the policy objectives of the region. Any decision to develop the TWA (and similar large scale facilities) should not compromise the proposed development of the West End. The Growth Plan is intended to take into consideration previous strategies, including the <i>Pilbara Placemaking Series</i>, the Town's <i>Land Use Master Plan</i> and the Town's <i>Strategic Plan 2010-2015</i>. Relevantly, the Town has already been active in commissioning reports with the focus of providing a framework for achieving the vision of transforming Port Hedland, including reports dealing with the issues of dust and traffic management/parking and a car parking study prepared for the Council by Shawmac dated 18 November 2010 in relation to the West End Town site and Port Hedland Air Quality and Noise Management Plan dated March 2010. There is little evidence, for example, of the implementation of the important observations and recommendations in the Shawmac report to date.</p>	

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<p>Mr Paul McQueen</p> <p>Counsel – Planning & Environment</p> <p>Lavan Legal</p> <p>The Quadrant</p> <p>1 William Street</p> <p>Perth WA 6000</p> <p>Tele: 9288 6000</p> <p>Email: paul.mcqueen@lavanlegal.com.au</p>	<p>The TWA proposal set out in the Business Plan should not compromise these developments for the development of the West End of Port Hedland.</p> <p>2.3.6 It is our clients' submission that the Town should provide greater certainty regarding the nature and long term use of the site, via the initiation of planning policy and/or scheme amendment, to guide and control the development of the site prior to the Town entering into any legally binding agreement. The options for renewal in the proposed lease agreement should be converted into review provisions normally included in leases. Further, the proposed intent for the sale of remaining lots needs to be explained in more detail because it implies long-term use of the subject site.</p> <p>2.3.7 In addition, my clients submit that that the Business Plan should provide for the prohibition of certain goods, services and facilities which are already provided in Port Hedland or South Hedland through a Restricted Use classification under the scheme, to ensure the development remains 'temporary' in nature and the restricted uses should include:</p> <ul style="list-style-type: none"> ▪ Hotel and 3 star (or above) tourist quality accommodation; ▪ Motel; ▪ Entertainment venue; and ▪ Restaurant. <p>2.3.8 The Airport Precinct may also be included as a "Special Control Area" pursuant to Part VII of the Scheme (at Clause 7.6) where specific provisions are built into the Scheme to control the currently approvable uses (at the Council's discretion) within the Airport zone (which include those uses listed in this clause) for some Transient Workforce accommodation.</p>	

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<p>Mr Paul McQueen Counsel – Planning & Environment Lavan Legal The Quadrant 1 William Street Perth WA 6000 Tele: 9288 6000 Email: paul.mcqueen@lavanlegal.com.au</p>	<p>2.4 Issue 3 - Long Term Use of the Site</p> <p>2.4.1 Clause 5.4.1 of the Growth Plan identifies the Airport as suitable for new TWA Accommodation. It stresses however, that this land use must be temporary and that it is to be replaced by industrial uses over the longer term.</p> <p>2.4.2 Provisions 6.5.3 and 6.5.4 of the Scheme also require planning applications for TWA developments to provide details of how the proposal will convert to a subsequent use, or how the site will be remediated after occupation. Provision 6.5.5 of the Scheme recommends that a legally binding agreement be entered into to enforce the provisions of 6.5.3 and 6.5.4 of the Scheme. Accordingly, the Scheme requires certainty with regard to the cessation of the temporary land use, and the continuation of an approved land use into the future.</p> <p>2.4.3 The Town's <i>Guidance Note for Potential Developers of TWA dated August 2008</i> confirms the intention of TWAs as temporary, and for utilisation by Construction Workforces only, and not for permanent residential or workforce accommodation.</p> <p>2.4.4 It is not clear from the Business Plan what the TWA development will be used for after the proposed Outer Harbour development has been completed. The Business Plan also indicates that the lease will be for an initial term of 10 years, plus three 5-year options, which casts serious doubts about the temporary nature of the proposal. My clients request that the 'Options' electable by the lessee (BHPB) be converted to 'Reviews' and for the terms to be exercised by the Town. Additionally, the sale of the land to BHPB is incompatible with leasehold and an intention for a limited term occupancy/land use for the subject site. The sale of the land in this way should be excluded from the proposal, in the absence of a compelling rationale.</p>	<p>2.4.3 The Business Plan states that the TWA is only to be used for BHPB's construction workforce only, and BHPB will need to satisfy the Council that it still requires a construction workforce in order for the 5 year options to be exercised.</p> <p>2.4.4 As per 2.4.3, in order for the options to be exercised, BHPB must demonstrate to Council that the TWA facility is required for their construction workforce only.</p>

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<p>Mr Paul McQueen Counsel – Planning & Environment Lavan Legal The Quadrant 1 William Street Perth WA 6000 Tele: 9288 6000 Email: paul.mcqueen@lavanlegal.com.au</p>	<p>2.4.5 It is submitted that the agreement between the Town and BHPB should also be amended, and a local planning policy or a scheme amendment initiated, in order to ensure that all proposals for TWA within the Airport land address remediation or change of use of the land at the end of the contract period.</p> <p>2.5 Issue 4 - Perception of bias arising from imbalanced presentation by the Town</p> <p>2.5.1 We note that the Town will not be the decision-making body for any of the subsequent development of the land, as subdivision control and conditions will be at the discretion of the WAPC, and any development approvals, structure plans and the like will be approved by the Joint Pilbara Development Assessment Panel.</p> <p>2.5.2 To that end, my clients note (with concern) the imbalanced manner that the Town have presented this proposal for comment, without any reference to the negatives, risks or infrastructure, social and other costs associated with the development. In particular, I refer to the Town's media release on the proposal dated 1 December 2011, which confirms Council support for the proposal, and whilst it acknowledges public concern about the long term effects of TWA developments on existing infrastructure, it does not identify the significant risk associated with the proposal.</p> <p>2.5.3 Further, there is a paucity of information in relation to the range and scale of financial, social and infrastructure costs associated with the proposal in the Business Plan this is of significant concern to my clients. This deficiency compromises the Council's function pursuant to the <i>Local Government Act</i> in assessing or progressing any aspect of this proposal.</p>	

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<p>Mr Paul McQueen</p> <p>Counsel – Planning & Environment</p> <p>Lavan Legal</p> <p>The Quadrant</p> <p>1 William Street</p> <p>Perth WA 6000</p> <p>Tele: 9288 6000</p> <p>Email: paul.mcqueen@lavanlegal.com.au</p>	<p>2.5.4 In order to avoid potential issues arising in the future in relation to the apprehension of bias regarding the proposed development, or in contravention of the duties and obligations ascribed to local governments, it is my clients' view that there is an expectation that the Town seek legal advice prior to entering into any agreement in relation to the proposal.</p> <p>3 Conclusion</p> <p>3.1 My clients' submissions are summarised as follows:</p> <p>3.1.1 The proposal is based on interpretations of background data, studies and assumptions which have not been made public. The economic analysis in support of the Business Plan is incomplete and accordingly deprives the ratepayers, the Town and other stakeholders of essential information for decision-making, forward planning and budgeting. It is requested that further details are provided including:</p> <ul style="list-style-type: none"> i. The demographics of the population by age, gender, family structure, occupation and other characteristics; ii. The projected population by year and by month be reported, to allow meaningful decision-making and planning to be made by government and existing private/non-government parties; iii. The lengths of time that each of the categories of Transient worker are likely to be in Town; iv. What additional facilities (recreation reserves, facilities, shops, etc) are planned to be provided (if any) for these Transient workers; v. A comparison of other comparable sites, where these facilities are also able to be constructed, and where there may be greater connection with the existing social infrastructure of the Town; vi. A more comprehensive structure plan to be provided as part of the Business Plan, where reviewers are able to comprehensively understand the totality of the planned facility which forms part of this Business Plan on the proposed site, including the provision of appropriate infrastructure; and 	

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<p>Mr Paul McQueen Counsel – Planning & Environment Lavan Legal The Quadrant 1 William Street Perth WA 6000 Tele: 9288 6000 Email: paul.mcqueen@lavanlegal.com.au</p>	<p>vii. Timing for the commencement of different stages of development.</p> <p>3.1.2 The Town currently lacks adequate mechanisms to control development on the site with regard to types of accommodation premises, and the agreement with BHPB must be modified and a town planning scheme amendment or local planning policy initiated to ensure:</p> <ul style="list-style-type: none"> i. The term 'Construction worker' is defined; ii. The term 'Transient worker' is defined; iii. The TWA must not be used for general workforce accommodation or sublet to non construction sectors; iv. The quality and nature of the TWA must be stressed to be temporary, with controls limiting the amount of time that accommodation may be inhabited by a person or group of persons; v. The agreement between the Town and BHPB should be amended, and a local planning policy or a scheme amendment initiated, in order to ensure that all proposals for TWA within the Airport land address remediation or change of use of the land at the end of the contract period; and vi. Uses on the land should be restricted to ensure the TWA facility does not compete with appropriately located facilities within the Port Hedland's West End or South Hedland Town Centre, particularly existing hotels, motels, serviced apartments and shops. <p>If you would like to discuss any aspects of this submission in person, please contact me on (08) 9288 6943 or my colleague, Craig Wallace, on (08) 9288 6828.</p>	

Name	Matters Raised	Comment
<p>Mr Nick Perks Blaxland Property Level 5 17 Bridge Street Sydney NSW 2000 Tele: 02 9253 0969 Email: info@blaxlandproperty.com.au</p>	<p>Dear Paul,</p> <p>Land described as Precinct 3 of Port Hedland International Airport</p> <p>On behalf of Blaxland, a land owner and residential property developer in Port Hedland, we wish to register an objection to the proposal by the Town of Port Hedland to enter into a major land transaction by private treaty with BHP Billiton Iron Ore for the development of precinct 3 at the Town of Port Hedland International Airport.</p> <p>The main points of objection are:</p> <ul style="list-style-type: none"> ▪ The direct deal with BHP Billiton may not reflect the best market result potentially achievable by the Town of Port Hedland. A public tender program for the whole site (or possibly smaller precincts) will ensure the best financial outcome and development is achieved. ▪ BHPB is not a developer and therefore is poorly placed to provide the optimal outcome for the site. A qualified, experienced developer would be best suited to provide a premium outcome for the ToPH and the community. For example, Precinct 3 contains a bulky goods retail precinct – BHPB has no bulky goods retail development experience. ▪ The long term nature of the TWA lease (10 + 5 yrs) over lot 35 to BHPB does not reflect the desire of the community to promote the town and integrate workers into the local community. If only construction workers are to be accommodated in the TWA's the proposed 15 year arrangement is far too long. ▪ 6,000 TWA's is too many in such a confined space and social issues are of major concern. ▪ The Business Plan does not address what facilities will be provided to the occupants of Lot 35 (i.e. shops etc). It is not possible from the information provided to determine how the BHPB TWA occupants will impact on local business etc. Further information is requested. 	<p>The Paxon Group, on behalf of the Town of Port Hedland, has undertaken an assessment of a number of options in relation to the development of the site, which are included as an attachment to the business plan.</p> <p>The ToPH will remain the owner of the land with the exception of Lot 34. Therefore, it is in a position to revisit the potential of its land holdings to ensure the best return to its community.</p>

Name	Matters Raised	Comment
<p>Mr Nick Perks Blaxland Property Level 5 17 Bridge Street Sydney NSW 2000 Tele: 02 9253 0969 Email: info@blaxlandproperty.com.au</p>	<ul style="list-style-type: none"> ▪ The timing of Lots 36 – 39 is critical and should be a priority. These TWA's will house the non-BHPB workers who will be charged with the responsibility of developing the town. These workers will ensure that the Town is able to expand at a pace that ensures Port Hedland reaps the benefit of the mining in the region whilst also reducing the cost of living. Further particulars regarding these TWA's is requested. ▪ The concentration of so many TWA's under one company will impact negatively on the competitive pricing of the TWA market in Port Hedland. <p>Due to the above reasons I believe it is impossible for the Town of Port Hedland to enter into the private treaty with BHP Billiton and not appear to be favouring one company over all other miners and developers operating in the area.</p> <p>The allocation of this land must be opened up to a public tender process so the best possible outcome for the Town of Port Hedland is achieved in an equitable and fair manner for all.</p>	

4.2 SUMMARY OF ISSUES AND CONCERNS

The table below summarises the issues and concerns raised in the submissions received and have been classified in terms of a quadruple bottom line analysis.

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
Paul Brereton					1. Seeking extension of time
					2. Seeking a detailed plan of the proposal
Brendan Foley	1.Supports creation of industrial lots	1. TWA's located in isolation from the existing communities which have created social and physical problems	1. Suitability of such a location for such a large development		1. Legal matters to consider Administrative law- Bias, Fettering of Discretion, Tort law - Misrepresentation and defining construction workforce
	2.Supports the use of the funds generated by the proposal to upgrade the airport	2. Need for 6,000 additional beds	2. The length of lease to BHPB does not support the view that TWA's as proposed are not intended to be temporary		
	3.Alternative locations would allow for higher densities in close proximity to existing facilities, businesses and community infrastructure adding long term value to the town				
	4.Proposed use of TWA's after the completion of the project and limiting its use for the intended purpose				

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
Bob Neville	1. Benefits in the form of civil infrastructure and short term cash contributions	1. Proposal will further disperse the population to another significant population centre namely the "Airport"	1. Development at the PHIA is not consistent with State and local government expressed desire to concentrate development in Port and South Hedland		
			2. It is not clear that the development of additional industrial land at the "Airport" will be complementary to the current and planned industrial developments		
			3. Whilst its acknowledged that TWA facilities are required the planning for TWA's to be present for up to 25 years is not consistent with the State long term vision for the area		
			4. The proposal detracts from the vision of transforming Port Hedland into a vibrant attractive urban centre		
			5. The consolidation of such a large facility at the PHIA potentially creates an undesirable town planning and urban amenity outcome		
			6. Suggested "hybrid model" for the development of TWA facility		
Bob Neville			* Construction of TWA facilities in high amenity areas and transitioning them into permanent dwellings post construction period		

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
Bob Neville			* The use /development of permanent buildings within planned residential projects as TWA/ Serviced Apartments for construction workers to underwrite such developments		
			* A scaled down version of the Precinct 3 proposal with lower volumes of accommodation units and a shorter length of tenure offered		
			* Temporary short term TWA "Fly- camp" buildings on State Agreement Act Land for extreme peak construction employment periods		
Ken Brinsden – Atlas Iron	1. Atlas plans to increase its production and shipping of iron ore through Port Hedland, this includes infrastructure and development at Utah Point Port and South West Creek in the Port Hedland Harbour district	1. Release back to the ToPH a number of rooms to be made available to the community			
	2. Atlas is interested in pursuing to develop Lot 36 or an alternative parcel of land to accommodate a 300 to 400 man camp to be used for the purpose of supporting construction of its projects				

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
Ross Holt – LandCorp	1. The proposed scale of development will discourage public and private sector development of Port and South Hedland	1. Work camps of this scale will not serve to normalise the housing market	1. TWA's will be required to deal with peak construction demands however this should be limited so as not to detract from the demand for short ,medium and long term permanent housing products		1. Lack of consultation by the ToPH in the development of the business case
			2. The length of lease to BHPB does not support the view that TWA's as proposed are not intended to be temporary		
			3. Risk of creating a third township between the Port and South Hedland activity centres		
			4. The PHGPIP is capable of releasing significant volumes of permanent development outside the current proposal and will provide accommodation and amenity consistent with the Pilbara Cities vision		
Ross Holt – LandCorp			5. LANDCORP supports the bulky goods concept in the airport area		
			6. Proliferation of short term projects that are divorced from high amenity areas		
			7. Recommendations -		
			* The Town work with LandCorp to co-ordinate land release to ensure permitted		

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
			uses across estates are complementary and provide for market need		
			* The Town sell land with title restrictions that prevent further subdivision to discourage speculation and with the requirement for purchasers to build within a certain time period		
			* The Town liaise with LandCorp to ensure the approach to releases is favourable to the orderly development of the Town		
Nick Perks - Blaxland	1. The concentration of so many TWA's under one company will impact negatively on the competitive pricing of the TWA market in Port Hedland	1. 6,000 TWA's are too many in such a confined space and social issues are of major concern	1. The length of lease to BHPB does not support the view that TWA's as proposed are not intended to be temporary	1. Favours a public tender approach for the whole site which will ensure the best financial outcome and development	1. BHPB has no bulky goods retail development experience
			2. The business plan does not address what facilities will be provided to the occupants of lot 35 ie shops etc, and to determine the impact on local businesses	2 Favouring of one company over all other miners and developers operating in the area	
			3. The development of lots 36 to 39 are a priority.		
Zabia Chmielewski – WACHS Pilbara		1. "Community" adds to the Towns security, wellbeing and increased participation	1. Favours permanent housing options		
		2. Integration of the workforce commitment by the mining companies to employ and support a local workforce	2. Increased options for the airport that transport and bulk handling sites		

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
AA Carter & J Van Uden	1. Opposes the disposal of airport land to developers especially identified as warehouse	1. Need to conduct a Social Impact Assessment			
	2. Supports campsite lease for 10 years				
Ford Murray – Fortescue Metals Group		1. Social impact of a 6,000 person TWA	1. Supports the concept of TWA for construction purposes	1. Fortescue believes that all agreements between BHPB and the ToPH need to be transparent to the public and other third parties that propose short term TWA developments for the construction workforces are granted equal consideration by Council.	
		Recommendations	2. The lifespan of a 6,000 person TWA		
		* Council initiates an independent social impact assessment as a condition for a development application	Recommendations		
		* Independent certification of the TWA operations	* The TWA development approval includes a condition that ongoing operation and certificate to operate is justified on an annual basis after an initial five years and that this assessment is transparent and open to the public in relation to lot 35		

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
Ford Murray – Fortescue Metals Group			* That the TWA facility is not made available for long term FIFO operation workers		
Darren Batty - QANTAS			1. Qantas Airways supports the development and is consistent with the AMP and will greatly assist in funding the development of the passenger terminal and apron		
			2. The land is surplus to aviation requirements		
Camilo Blanco – Wedgefield Association	1. The business plan states that the revenue is solely to be used on airport extension and upgrade	1. No statistical modelling on workforce age. male to female ratio, tolerance policy social impact on the Town with so many men in one area	1. The proposal will have a direct impact on Wedgefield's road infrastructure, the road system is too narrow for constant road train movements and is in a sad state of repairs		1. Revised business plan to be prepared with greater detail and clarification into all the affects that will burden the Town
	2. ToPH is proposing to develop more TWA sites effectively changing the population base from local residents to the majority of people being FIFO. The proposal is a long term project and should be integrated into the community with housing to suit	Questions	2. The Precinct 3 proposal will generate extra traffic and there is no reference or solutions detailed in the business plan		
	Questions	* What is the proposed increase in numbers of police for Port and South Hedland when precinct 3 proposal is passed?	Questions		

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
Camilo Blanco – Wedgefield Association	* how many transient persons does the Town anticipate will be working in Hedland in total, taking into consideration all the other projects that are in the pipeline?	* How will the ToPH and BHPB tackle the erosion on community safety with 6,000 men in Town?	* Has an investigation been conducted into the dramatic increase in traffic that will take place when precinct 3 proposal is approved?		
	* Accelerated deterioration of our infrastructure will occur with 6,000 construction workers, who will be responsible for the payment and repair of the deterioration?	* What is the proposed increase in numbers of doctors for Port and South Hedland when precinct 3 proposal is passed?	* Have there been discussions with Main Roads about the traffic issues and solutions?		
	* Where does the Town anticipate this funding will be extracted or generated from?	* What is the proposed increase in numbers of nurses for Port and South Hedland when precinct 3 proposal is passed?	* If there have been discussions with Main Roads why have they not been presented in the proposal?		
	* Have there been discussions with the State in the lead up to this proposal to acquire funding for mtce and upgrade or replacement of our aging infrastructure?	* What is the proposed increase in numbers of social services for Port and South Hedland when precinct 3 proposal is passed?	* How will the traffic be managed at the intersection entry and exit of Great Northern Highway leading in and out of the camp?		
	* How does the Town and BHPB plan to retain the services of our dwindling number of small business?	* How will these extra service personnel be accommodated?	* Who will pay for the upgrade of road infrastructure if it is needed as detailed above?		
	* Will BHPB be using		* How will the traffic be		

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
	local business to supply all aspects of the proposed camps consumable needs?		managed at the intersection of Great Northern Highway and Pinga Street leading into Wedgefield?		
Camilo Blanco – Wedgefield Association	* Will there be a "buy local" policy from BHPB to support local business?		* Who will pay for the upgrade of road infrastructure if it is needed as detailed above?		
	* What plan is in place to open the door to more travel options for local people?		* How will the traffic be managed at the intersection of Great Northern Highway and Finucane Road leading into Wedgefield and Finucane island boat ramp?		
	* What developments within the precinct 3 proposal are in place to develop Port Hedland as a gateway to tourism?		* Who will pay for the upgrade of road infrastructure if it is needed as detailed above?		
	3. Diversification of the Port Hedland economy away from sole reliance on the resource industry ,one of the proposals is to develop the marina precinct		3. The Port City Growth Plan (PPCGP) as not been adopted by the Council nor approved by WAPC so why is it quoted by BHPB as the direction of Council		
	Questions		Questions		
	* considering BHPB is opposed to the marina project on the basis of pleasure craft and fishing boats interfering with day to day operations, what will		* Has the Port City Growth Plan been officially adopted by Council?		

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
	the Town do about our Town boat ramp that leads directly into the harbour?				
	* If it is to be moved where will it end up?		*Has the Port City Growth Plan been officially approved by WAPC?		
Camilo Blanco – Wedgefield Association	* Who will pay for the relocation?		*Has BHPB been advised by the ToPH that the Port City Growth Plan is the current legal document that the Town is following?		
			4.The proposed camp is directly affected by the oil energy site, the emissions exposes people to the effects of headaches,nausa,vomiting,asthma attacks ,nose bleeding .		
Paul McQueen – Lavan Legal					1. The occupation and construction of TWA on Lot 35 concerns raised
					* The lack of definition /data for the total number, monthly and yearly rated of occupancy and demographics of the construction workforce
					a) prevents existing providers of goods and services to make informed business planning decisions and inhabits enterprise by potential investors

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
Paul McQueen – Lavan Legal					b) The modelling that supports the assumption must be clarified to give assurance that the TWA would not compete with existing and proposed accommodation suppliers located within Port Hedland West End or the South Hedland Town Centre
					c) No indication of demographics proposed for the TWA
					d) The lack of clarity of the terms "transient workers " and "Construction Workforce" which may allow the facility to be used by other members of the BHPB operational workforce or subletting to non-construction sectors
					e) recommended definitions" Transient Worker/s"- a temporary or intermittent worker employed on one or more finite projects in or based in the Town of Port Hedland. It does not include a worker employed in normal ongoing operation of any business or industry. "Construction Worker"- A professional ,tradesman, or labourer who directly participates in the physical construction or demolition

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
					of buildings and infrastructure ,and does not include management ,administrative ,and staff connected with providing support services
Paul McQueen – Lavan Legal					f) No consideration of other suitable sites where these facilities are also able to be constructed and where there may be greater connection with the existing social infrastructure of the Town
					g) The proposal discourages integration and contribution with the local community
					* The nature of the facilities to be provide and exclusions on types of accommodation facilities ,as the case may be
					a) the facilities to be provided within the TWA should be limited so as to not compete with existing land uses. Management strategy recommended to restrict its use, quality of accommodation and mechanism to ensure closure or approval for change of use when the TWA is not required
					b) The inclusion of 3,4 and 5 star hotel/motel is not

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
					expressly excluded within the TWA therefore compromising existing or planned hotels, motels, serviced apartments and short stay accommodation within the Port Hedland West End and South Hedland Town Centre
Paul McQueen – Lavan Legal					c) Limit the TWA use to accommodate construction workers for the outer harbour only and build in protection so as to not adversely impact on existing service providers
					d) Any decision to develop the TWA should not compromise the proposed development of the West End
					e) The Town should provide greater certainty regarding the nature and long term use of the site via the initiation of planning policy and/or scheme amendments to guide and control the development of the site prior to the Town entering into any legally binding agreement
					d) The term of the lease for the TWA development casts doubts about the temporary nature of the proposal .Options electable

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
					by BHPB be converted to Reviews and the terms to be exercised by the Town
Paul McQueen – Lavan Legal					e) A local planning policy or a scheme amendment be initiated in order to address remediation or change of use of land at the end of the contract period for the TWA proposal
					* The imbalanced presentation of the proposal by the Town as a fait accompli and without any details provided as the clear risks, range of costs and negative aspects associated with the proposed TWA
					a) The Town will not be the decision making body for any subsequent development of the land ,subdivision rests with the WAPC and development approvals rest with the Joint Pilbara Development Assessment Panel
					b) The imbalanced manner the Town has presented the proposal for comment without reference to the negatives, risks, or infrastructure ,social and other associated costs with the development

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
Paul McQueen – Lavan Legal					c) The lack of information in relation to the range and scale of financial ,social and infrastructure costs associated with the proposal
					d) The Town seek legal advice prior to entering into any agreement in relation to bias or contravention of the duties and obligations ascribed to local governments
Serge Doumergue – First National					1. The land valuations detailed in the proposal grossly misrepresent the true commercial property market and its true value
Lisa Bowen – Soroptimists International Port Hedland	1. Tourism opportunities identified -		1. Lack of long term planning for industry needs for accommodation in Port Hedland		
And Rosie Vrancic & Jan Ford – Port Hedland Community Progress Association	* Industrial playground to educate children in the mining industry		2. Main areas of concern		
(Submissions are the same)	* Indoor play centre for children		a) Residual use of FIFO camp for university student accommodation		

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
<p>Lisa Bowen – Soroptimists International Port Hedland</p> <p>And</p> <p>Rosie Vrancic & Jan Ford – Port Hedland Community Progress Association</p> <p>(Submissions are the same)</p>	* Indigenous artist centre, cultural art centre near the airport		b) Access to camp and facilities to the public		
	* International airport to include facility for international passenger trade		c) Traffic management at the Walkabout Hotel, the risk to be assessed		
	* 5-6 Star ocean front international hotel at the old school site which will assist in developing a diverse industry base		d) Overpasses for safe traffic flow, congestion at the walkabout area and the T junction intersection of the Airport Road and the Great Northern Highway		
	* Marina at the yacht club		e) Sale of Council freehold land, favour lease arrangements to generate a long term income stream		
			f) Residential land release, ToPH insist that the State Government release land for residential development to private developers		
			g) Equitable treatment of other companies requiring accommodation		
Jayde Hooper					Public access to TWA facilities

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
Evan Hall – Tourism Council WA	1. The proposal will lead to an oversupply of short stay accommodation leading to loss of business by existing short stay providers				
	2. Any new development of TWA should be limited to a supply level which would not reduce current occupancy levels in the existing accommodation				
	3. Other issues				
	* Leisure tourism demand for regional destinations is extremely weak				
	* ToPH would have to make a significant investment in creating attractions and marketing the town to be able to even compete in the poor regional tourism market				
	• The increasing FIFO workforce in town will push up aviation fares, hospitality costs and room rates, making ToPH a less price competitive destination				

NAME	ECONOMIC	SOCIAL	ENVIRONMENT	GOVERNANCE	OTHER
	<p>* Leisure visitors have higher marketing and operational cost and less predictable demand than business travellers</p>				
<p>Evan Hall – Tourism Council WA</p>	<p>* Accommodation providers will struggle to compete with BHPB to retain staff such as chefs, further increasing room prices which the leisure market will not accept</p>				

5.0 FINDINGS

5.1 COMPLIANCE WITH LEGISLATIVE OBLIGATIONS

Part 2.0 of this Report confirms that the Town of Port Hedland has complied with the legislative requirements as per the Local Government Act 1995 and its regulations, in relation to the preparation of a business plan to enter into a major land transaction.

5.2 BUSINESS PLAN AS PREPARED BY THE TOWN OF PORT HEDLAND

1. The projected financial benefits to the Town of Port Hedland detailed on Page 19 of the business plan have not taken into account the potential life cycle costs in relation to the infrastructure that the Town of Port Hedland will be responsible for (refer page 8 – 2.2.6(2) and (3)), therefore the anticipated returns may be overstated.
2. In relation to the lease of proposed lot 35 to BHPB, and the subsequent creation of a 6,000 bed TWA by BHPB, the business plan does not address whether the land and the built infrastructure will revert back to the Town at the end of the lease term; or whether BHPB will be required to return the land back to the Town in its natural state. This may also impact on potential lifecycle costs.
3. In Section 2.1 of the Business Plan, the Town of Port Hedland acquired the Port Hedland International Airport, including the subject site, in 1985. The Town may give consideration to utilising the Margin Scheme in accordance with Section 75-15 of the Goods and Services Tax Act 1999, which allows for an apportionment. Subdivision is defined as the creation of new rights and title in substitution of the original rights and title so that what is transferred following the subdivision may be different real property owned before subdivision.

If the Shire chooses to sell the land under the Margin Scheme, the property needs to be valued based on one of the following methods:

“The market value (as at 1 July 2000) determined and in writing by a professional valuer”.

“The most recent value set by a State or Territory Government for rating or land tax purposes (made before the valuation date)”.

Both the buyer and seller must agree in writing to apply the Margin Scheme for a contract of sale made after 29 June 2005. This agreement to use the Margin Scheme must be reached by the time the property is supplied (usually at settlement). This may form part of the Sales Contract.

5.3 KEY THEMES OF SUBMISSIONS RECEIVED

1. Creation of Bulk Goods/Light Industrial/Commercial lots:
 - (a) General support for the development on airport land.
 - (b) General support for lease rather than sale of land.
2. Airport Redevelopment
 - (a) General support for the redevelopment.
 - (b) View that there is a greater benefit to be derived by the mining companies and not the general public.
3. Transient Workers Accommodation (TWA) Facility
 - (a) Opposition to the proposal on the airport land for the following reasons:
 - (i) TWA needs to be located in close proximity to existing facilities, businesses and community infrastructure.
 - (ii) Unclear what the proposed use of the facility will be after the expiry of the lease.
 - (iii) There is no mechanism to limit the use of the TWA to its intended purpose.
 - (iv) The proposed scale of the development will discourage public and private sector development in Port and South Hedland.
 - (v) The proposal has the potential to change the population base from local residents to a majority of transient workers.
 - (vi) The TWA proposal will lead to an oversupply of short stay accommodation, negatively impacting on existing private providers.
 - (vii) The TWA's located in isolation from existing communities, which will create social and physical problems.
 - (viii) The TWA proposal will further disperse the population to another significant population centre, namely the 'airport'.
 - (ix) A 6,000 bed TWA facility is too large for such a confined area.

- (x) TWA's are to be of a temporary nature; a 25 year lease is considered too long.
- (xi) It is unclear what facilities will be provided on Lot 35 and the potential negative impacts on local businesses.
- (xii) It is unclear what the adverse impacts on road infrastructure and traffic management problems will be.
- (b) Economic impact assessment has not taken into account costs of the project and focuses on potential benefits, and does not quantify negative economic and social impacts.
- (c) Will local businesses be given priority to service TWA.
- (d) No opportunities identified for local indigenous people to be trained and employed on the construction site or in the provision of services to the TWA.
- (e) Soil type/water table in the area is unsuitable for septic tank discharge.
- (f) Refuse disposal needs to be addressed.
- (g) Equitable treatment of other companies requiring accommodation.
- (h) Management strategy for TWA to be incorporated in a Local Planning Policy or Scheme Amendment.

4. Other

- (a) Lack of consultation by the ToPH in the development of the business plan.
- (b) A revised business plan to be prepared with greater detail and clarification into all the effects that will burden the Town.
- (c) Land valuations detailed in the proposal grossly misrepresent the true commercial property market value.
- (d) Public access to TWA facilities.
- (e) Need to conduct a social impact assessment.

5.4 COMMENTS/RESPONSES ON KEY THEMES RAISED IN SUBMISSIONS

DCA has sourced comments from the following parties:

1. Town of Port Hedland;
2. AEC Group; and
3. David Liggins – Valuer.

These comments are detailed in Section 4.0 of this Report.

6.0 CONCLUSIONS

1. The proposal within the business plan is in line with the intentions of the draft PPCGP, which states:

Key development opportunities within Precinct 7 (which includes Precinct 3 detailed in the Business Plan) are:

- (I) Highway Commercial/Light Industrial.
- (II) Facilitate short term development of Construction Workforce, and in responding to demand:
 - (a) To consolidate existing area on Great Northern Highway and deliver legacy infrastructure.
 - (b) To facilitate development progression within a defined area of Light Industry precinct.

The PPCGP also examines a series of 'Quick Wins', or projects that can be progressed immediately (0-2 years), including three identified within Precinct 7 (which includes Precinct 3 detailed in the business plan):

- (1) TWA developments for construction workforce (performance based ensuring limited lifetime on TWA).
- (2) Expansion of Airport.
- (3) Development of Industrial and Commercial land.

2. In relation to the issues and concerns contained in the submissions received, and consideration of them, the Council may wish to consider the following:

- (1) Development of Lots for Bulky Goods/Industrial/Commercial Uses

There is general support for the lease of Lot 34 rather than its sale to BHPB.

In order that Council may give consideration to the above, the following analysis has been undertaken in order to conclude as to whether such a change to the business plan could be deemed to be significantly different. Reference is made to Section 2.0 of this Report.

When considering any change to the proposal, the following factors are to be taken into account in terms of Lot 34 specifically and the overall proposal contained in the business plan:

(a) Lot 34

(i) Intent

The intent is to change the disposal method of Lot 34 from sale to lease.

Sale of freehold title involves the Town of Port Hedland relinquishing ownership of the underlying Lot, diminishing the size and control of the Town's landholdings.

Ground lease involves the lessee obtaining exclusive use of the Lot for an up front price, or a combination of an up front price and an annual ground rental, however the lessee (BHPB) will be in control of the development. The Town will remain the underlying owner of the Lot, albeit with limited rights and access to the Lot during the lease period.

(ii) Extent

The extent of the change from sale to lease will impact solely on Lot 34 in relation to the proposal detailed in the business plan.

(iii) Affect

The affect of the change from sale to lease is deemed to be significant on the basis that disposal by way of lease will result in the Town remaining the underlying owners of Lot 34.

There may be an additional impact in relation to the potential financial return over a ten year period should the method of disposal change, either negatively or positively.

DCA has concluded that this change would be deemed to be significantly different.

(b) Overall Proposal in Business Plan

(i) Intent

The intent is to change the disposal method of Lot 34 from sale to lease.

Sale of freehold title involves the Town of Port Hedland relinquishing ownership of the underlying Lot, diminishing the size and control of the Town's landholdings.

Ground lease involves the lessee obtaining exclusive use of the Lot for an up front price, or a combination of an up front price and an annual ground rental, however the lessee (BHPB) will be in control of the development. The Town will remain the underlying owner of the Lot, albeit with limited rights and access to the Lot during the lease period.

(ii) Extent

The extent of the change from sale to lease will impact only Lot 34, being only 1 of 39 lots being developed within the business plan. In context of area, Lot 34 represents 100,000m² of a total area of 1,829,458m² to be developed, which represents 5.5% of the land area to be developed.

(iii) Affect

The assumption used in preparation of the projected financial benefits, detailed on Page 19 of the business plan, is that lot sizes smaller than 1ha will be sold, and lot sizes in excess of 1ha will be leased.

The change in disposal method involves only 1 lot, being Lot 34, which represents only 2.5% of the properties.

There may be an additional impact in relation to the potential financial return over a ten year period should the method of disposal change, either negatively or positively. Depending on the magnitude of this impact, this may have a significant affect of the financial projections.

DCA has concluded that a further assessment of the financial impacts resulting from the change of disposal method from sale to lease for Lot 34 needs to be undertaken before an assessment of significantly different could be performed.

(2) Development of Lots for TWA Facilities

The major concerns and issues raised in submissions that directly affect the proposal contained in the business plan are as follows:

(a) The proposed use of the facility after the expiry of the lease.

(i) Intent

It is not clear in the business plan as to whether the facilities will revert to the Town of Port Hedland, or whether BHPB will be required to return the land to its natural state, or a negotiated position somewhere in between these two options.

It is our understanding from Town of Port Hedland current planning documents, the medium to long term development aim for the land is to revert it back to Industrial/Commercial purposes.

(ii) Extent

The extent is no change to the proposal, as it is the objective of the Town to ensure that the land reverts back to Industrial/Commercial purposes in the medium to longer term.

(iii) Affect

The proposed use of the facility after the expiry of the lease is an important issue and should be addressed in the ground lease agreement, but does not affect the proposal in the business plan.

DCA has concluded that any changes to address this issue would be insignificant.

(b) The length of term of the lease, potentially having a life period of 25 years if all extension options are exercised.

(i) Intent

The business plan currently provides for an initial 10 year lease, with 3 options of 5 year extensions, providing for the potential of a 25 year lease time period.

The business plan modelling only considers the financial effects for the initial 10 year term (as detailed on Page 19).

Any alteration to the terms of the ground lease (such as reducing the options for extension) may have the potential to impact on the total financial consideration paid by BHPB for the lease of the land. Whilst the Paxon Group have prepared a number of options in its commercial viability study, it is noted that the business plan only incorporates a 10 year financial model (as detailed on Page 19), and therefore any financial impacts would be beyond the 10 year financial projections contained in the business plan. The final terms and conditions of the lease would be subject to negotiation between the Town and BHPB.

(ii) Extent

The extent is to reduce one or more options for extension that are currently proposed within the business plan.

(iii) Affect

A reduction in one or more options for extension will have no impact on the assumptions and projections detailed in the business plan, as it only examines the impacts for the initial 10 year term.

However, a reduction in one or more options for extension may adversely impact on the financial viability or attractiveness of the investment proposal for BHPB.

DCA has concluded that, for the initial 10 year lease term, the change would be deemed to NOT be significantly different.

(c) A 6,000 TWA bed facility is considered to be too large and could have a negative impact on existing service providers.

(i) Intent

The business plan provides for a TWA facility with the capacity for up to 6,000 beds.

BHPB proposes to build 2,000 beds by 2013-14 in stage 1, with further development to proceed in two stages leading to a total number of 6,000 persons on site by 2016-17.

The intent of the change would be to reduce the number of beds available at the facility.

(ii) Extent

The extent of the change would be to limit the bed capacity of the TWA facility.

(iii) Affect

The affect of such a change would impact on the viability of undertaking the TWA facility and may result in a reduced land area requirement giving a lower ground rental yield.

Furthermore this could impact on the overall viability of the major land transaction proposal.

DCA has concluded that any change to the capacity of the facility would require further information and analysis to ascertain if the financial impacts of the change resulted in a proposal that is significantly different from that which was advertised.

(d) There is no mechanism to limit the TWA to its intended use.

(i) Intent

The business plan provides that prior to BHPB exercising their rights to take up any of the 5 year options, BHPB must demonstrate to the Council of the day that the TWA facility is required for their construction workforce only.

The intent is to limit the TWA facility for use by BHPB construction workers only, and not made available for the permanent operational workforce.

(ii) Extent

The extent is to limit the use of the TWA facility to its intended use, being for the BHPB construction workforce only.

(iii) Affect

The business plan details that the TWA facility is to be used only for BHPB's construction workforce, therefore any mechanisms introduced will have no affect of the overall intent of the proposal contained in the business plan. The introduction of planning mechanisms to limit the TWA facility to its intended use will assist the Town with its planning compliance function.

DCA has concluded that the introduction of mechanisms to limit the TWA facility to its intended use would result in a proposal that is NOT significantly different.

(e) The need for a social impact assessment to be prepared examining the potential impacts of the proposed TWA facility.

(i) Intent

The business plan provides for the establishment of a Community Integration Committee that will investigate and oversee all activities to minimise the negative impacts of the proposed TWA facility and to maximise community and business integration opportunities. BHPB will provide \$200,000 towards integration and development studies for this committee. A community and small business integration strategy will be commissioned after the initial BHPB TWA development of 2,000 construction workers, and prior to commissioning of additional stages of development within the BHPB TWA.

The intent is to have a Social Impact Assessment conducted before the TWA facility is developed.

(ii) Extent

The extent of the change is to require a Social Impact Assessment to be prepared before the major land transaction proceeds.

Advice received from the Town of Port Hedland is that the State Agreement with BHPB for the Outer Harbour expansion will require the preparation of a Social Impact Assessment and Local Content Plan.

(iii) Affect

The business plan details that a study will be prepared to examine the impact of the proposed TWA facility and endeavour to maximise community and business integration opportunities.

DCA believes that the business plan addresses the issue identified, the only matter in question is the timing of when the study should take place.

DCA has concluded that the timing of a Social Impact Assessment/Study of the TWA facility would result in a proposal that is NOT significantly different.

- (f) No traffic modelling prepared to measure the impact of increased vehicle movements (passenger and heavy vehicles) on Great Northern Highway as a result of the construction of the proposed TWA facility.

This matter does not require an assessment of significantly different on the basis that an assessment of the subdivision application will determine conditions to be imposed on the development, of which a Traffic Management Study could be one.

3. Section 3.59(5) and (6) enables the Town of Port Hedland to proceed with the major land transaction, without modification, after giving consideration to submissions received, or it may proceed with the major land transaction on the basis that any changes to the proposal are not significantly different, as illustrated above.

The responsibility for assessing whether a potential change from what was proposed in the business plan is a significant change rests with the local government. It is important that the Town of Port Hedland document its reasons as to whether it deems a change to the proposal as significant or not.

4. It is the opinion of Dominic Carbone and Associates that should the Town of Port Hedland resolve to:

(a) change the method of disposal for Lot 34 from sale to lease; and/or

(b) limit the bed capacity of the TWA facility

the financial impacts of either of these changes may result in a proposal that is significantly different from that which was advertised.