

PRIORITY DEVELOPMENT AREAS: PDA MEMORANDUMS OF UNDERSTANDING WITH MEDQ**Dataworks Filename:** LUP Priority Development Areas (PDAs)**Attachment:** [Memorandum of Understanding - Establishment of a Local Representative Committee](#)**Responsible/Authorising Officer:** 
Nick Clarke
General Manager Organisational Services**Author:** Peter Kelley
Project Director Priority Developments

PURPOSE

The purpose of this report is to brief Council on the progress of the Priority Development Areas (PDA) and endorsement to sign the second of two memoranda of understanding (MoUs) with the Queensland State Government.

BACKGROUND

On the 16th July 2014 Council resolved to accept the expression of interest assessment panel's recommendations to proceed to the Request for Proposal (RFP) stage of the PDA project.

As part of the 'confidential report' items D and E under 'issues – next steps' require land tenure strategy and implementation.

On the 8th October 2014 a land tenure workshop was held with Council and external legal advisors HWL Ebsworth (Peter Nugent). The following required procedures were discussed

1. Necessity for a 'special purpose vehicle' (SPV) which is a corporate entity owned jointly by the State Government and Redland City Council (RCC). All Council and state land will be transferred into this company so as to provide an appropriate method of dealing with the property within the PDA's.
2. As all State Government and RCC land will be held jointly and the project thus a 50/50 joint venture approach, MEDQ will now delegate their functions to accept and decide development applications to a 'local representative committee' (LRC) which will be an entity with equal board positions from EDQ and RCC.

Council approved the SPV MoU at its meeting on 26 November 2014, appointing the Mayor and general Manager Organisational Services to the Board of the SPV.

ISSUES

The MoU for a local representative committee (LRC) has been negotiated with the State Government.

This MoU has been signed by the State Government and is now ready to be executed by Redland City Council.

1. MoU – Local Representative Committee (Delegation):
 - a. Purpose: To establish a 'Local Representative Committee' under s158 of the *Economic Development Act 2012*, and for the MEDQ to delegate their functions to the LRC functions to accept and decide development applications, associated fees and to exercise any other powers delegated to it from MEDQ.

The MoU is supported by the legal recommendations stating it is in accordance with the negotiated outcome.

STRATEGIC IMPLICATIONS

Legislative Requirements

Council is acting within the *Economic Development Act 2012*, the *Corporations Act 2001* and *Local Government Act 2009*.

Risk Management

A probity plan has been developed to minimise risk throughout the competitive bid process. Council must act fairly and impartially. Probity guidelines are being followed to ensure conformity of process, improve accountability, encourage commercial competition, preserve public and bidder competence, and improve the defensibility of process and decisions to legal challenge.

Financial

Resourcing of the PDA projects is provided for in the budget for 2014/15.

People

An evaluation panel has been formed to oversee the competitive bid process. On-going support will be required from officers in the following groups: City Planning and Assessment, City Infrastructure, Strategic Planning, and Planning Assessment.

Environmental

The environmental benefits associated with both sites are quite substantial if development associated with the sites is undertaken in a manner that recognises the unique attributes and ecosystems that operate at each of the sites.

Social

The implementation of these projects has the potential to increase public amenity and open space at both sites, enabling greater recreational use

Alignment with Council's Policy and Plans

The recommendation primarily supports Council's strategic priorities of delivering a healthy natural environment, green living, wise planning and design, a supportive and vibrant economy, strong and connected communities, and of embracing the bay

CONSULTATION

Consultation has occurred between senior staff of Council and external legal opinion in preparing the Memorandums of Understanding. Consultation with the probity advisor will continue to ensure that the process conforms to that detailed in the evaluation and probity plans.

OFFICER'S RECOMMENDATION

That Council resolves as follows:

1. To delegate authority to the Chief Executive Officer (under s.257(1)(b) of the *Local Government Act 2009*) to sign and implement the Memorandum of Understanding – Toondah Harbour and Weinam Creek PDAs Establishment of a Local Representative Committee;
2. To appoint two Council representatives to the Board of the Local Representative Committee; and
3. That this report and attachment remain confidential.

COUNCIL RESOLUTION

Moved by: Cr P Gleeson
Seconded by: Cr K Hardman

That Council resolves as follows:

1. To delegate authority to the Chief Executive Officer (under s.257(1)(b) of the *Local Government Act 2009*) to sign and implement the Memorandum of Understanding – Toondah Harbour and Weinam Creek PDAs Establishment of a Local Representative Committee;
2. To appoint the Mayor and the Project Director Priority Development Projects to the Board of the Local representative Committee; and
3. That this report and attachment remain confidential.

CARRIED 10/1

Cr Bishop voted against the motion.

Memorandum of Understanding Toondah Harbour and Weinam Creek PDAs to Establishment of a local representative committee

Parties

Redland City Council
(Redland)

Minister for Economic Development Queensland
(MEDQ)

Memorandum of Understanding Toondah Harbour and Weinam Creek PDAs

Parties

Redland City Council

Address	Corner Bloomfield and Middle Street, Cleveland, Queensland
Contact	Peter Kelley
Short name	Redland

Minister for Economic Development Queensland

Address	Level 7, 63 George Street, Brisbane, Queensland
Contact	Mark Hargraves
Short name	MEDQ

Background

- 1 The Toondah Harbour and Weinam Creek PDAs were declared by Regulation on 21 June 2013.
- 2 Redland and MEDQ have agreed to act jointly to oversee the development of the Toondah Harbour and Weinam Creek PDAs and wish to enter into suitable development approval arrangements for the development.
- 3 Expressions of Interest were called by Redland and MEDQ from interested parties to develop the Toondah Harbour and Weinam Creek PDAs.
- 4 Following an assessment of the Expressions of Interest received, Redland and MEDQ have determined to enter into negotiations with Walker Group Holdings Pty Ltd (Walker) to work towards an agreement for the development of Toondah Harbour and Weinam Creek to the mutual benefit of all parties.
- 5 Redland and MEDQ now wish to set out their expectations for the establishment of a local representative committee pursuant to section 158 of the *Economic Development Act 2012* (ED Act).

Agreement

1 Definitions

In this document, unless the context requires otherwise, definitions in relation to the LRC will be as those terms are defined in the ED Act.

2 Functions of Local Representative Committee

The Parties acknowledge that the functions of a LRC are set out in section 159 of the ED Act.

3 Composition of the Local Representative Committee

3.1 MEDQ to appoint members

The MEDQ will appoint 4 members to the LRC. One member will be a suitably qualified person from the Department of State Development Infrastructure and Planning (DSDIP), and 1 member must be from the Economic Development Board in accordance with section 158(2) of the ED Act. The chair of the LRC will be the member of the Economic Development Board. The other 2 members will be suitably qualified persons recommended by RCC.

3.2 Suitably qualified

Other than for the member of the Economic Development Board, a member of the LRC must have significant experience to the MEDQ's satisfaction in one or more of the following:

- (a) town planning;
- (b) law;
- (c) local government;
- (d) engineering; or
- (e) property development,

and able to represent the interests of entities affected by development in the PDA.

4 Role of the Local Representative Committee

4.1 Delegations

The MEDQ will delegate functions and powers to the LRC to allow it to:

- (a) decide and allocate fees for development assessment, self-certification processes and hand over of assets;
- (b) accept development applications from development proponents;
- (c) accept development application fees and charges for itself or on behalf the entity or person carrying out development assessment on behalf of the LRC;
- (d) grant development approvals; and
- (e) carry out any other function or power granted by the MEDQ from time to time.

4.2 Development assessment

The parties agree that the assessment of development applications for the Toondah Harbour and Weinam Creek PDAs will be assessed by the DSDIP Planning and Property Division in accordance with or under arrangements acceptable to the LRC and the DSDIP Planning and Property division.

4.3 Not fettering

The parties acknowledge and agree that the LRC must perform its functions and powers as delegated or in accordance with the provisions of the ED Act, and neither party will, except to the extent permitted by law, interfere with the exercise of those functions and powers.

4.4 Reporting

The LRC will report its activities to the MEDQ and the Economic Development Board at times and in the manner agreed with the MEDQ.

5 Agreement in principle

5.1 Agreement to negotiate

The parties agree in principle to negotiate in good faith to:

- (a) settle any dispute in relation to operations of the LRC; and
- (b) provide resources for the use of the LRC.

5.2 Not binding

This agreement does not bind the parties to it and a party may refuse to agree a matter or to enter into a further agreement proposed by this agreement in the party's absolute discretion.

Execution

Signed by Bill Lyon, Chief Executive Officer of
Redland City Council:

Signature

Signed by Jenny Ryan, General Manager
Economic Development Queensland for the
Minister for Economic Development
Queensland:



Signature