

**18 Confidential Items**

**18.1 Cove Sports and Community Club Feasibility Study and Business Case**

<b>Report Reference</b>	GC210914R18.1
<b>Originating Officer</b>	Project Manager Strategic Projects – Carla Zub
<b>Corporate Manager</b>	Manager City Activation - Greg Salmon
<b>General Manager</b>	General Manager City Development - Ilia Houridis

**CONFIDENTIAL MOTION**

That pursuant to Section 90(2) and (3)(b) (i) and (ii) of the *Local Government Act 1999*, the Council orders that all persons present, with the exception of the following persons: Chief Executive Officer, General Manager City Development, General Manager Corporate Services, General Manager City Services, Manager Office of the Chief Executive, Manager City Activation, Project Manager Strategic Projects, Unit Manager Governance and Council Support, and Governance Officer, be excluded from the meeting as the Council receives and considers information relating to Cove Sports and Community Club Feasibility Study and Business Case, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to commercial information.

**REPORT OBJECTIVE**

This purpose of this report is to provide details on the outcome of the Feasibility Study into redevelopment of the Cove Sports and Community Club and options for a staged delivery. A business case is enclosed to support the redevelopment of this facility.

The report seeks direction from Council on the next stages to progress the future redevelopment of the Cove Sports and Community Club.

**REPORT HISTORY**

<b>Report Reference</b>	<b>Report Title</b>
EMF200421R06	Cove Sports and Community Club – Redevelopment Options
GC201124R11	Cove Sports and Community Club – Community Consultation Feedback and Feasibility Options
GC210127R11	Cove Sports and Community Club – Community Consultation Feedback and Feasibility Options
EMF210629R04	Cove Sports and Community Club – Feasibility Options

**EXECUTIVE SUMMARY**

The Cove Sports and Community Club (CSCC) redevelopment (the project) will provide the City of Marion with a sporting and community facility that will support a wide range of community and recreational programs and stimulate economic activity in the southern region.

Studio Nine Architects has been engaged to develop a feasibility study to address the aging infrastructure and provide improved community facilities, including:

- Clubhouse of 1,117m<sup>2</sup> with change rooms/ storage and administration areas for current and future organisations or clubs including a function area with associated food preparation and toilet amenities. Able to be licenced to cater for complex organisational structures.
- Netball facility of 159m<sup>2</sup> with change rooms, storage, administration and canteen facilities plus 421sqm of external shelters for viewing and gathering.
- Reconfiguration of main football/ cricket oval to be sized within AFL guidelines for competition.
- Redeveloped multi-purpose oval.
- Upgraded cricket nets.
- Upgrade of 4 netball courts to competition standard.
- Car parking of 347 car parks to facilitate better and safer access to the facilities.
- Dedicated play spaces to facilitate a range of different play experiences with adjacent shelters and BBQ areas.
- Improved site connectivity – walking, jogging and biking trails around the site with connections to adjacent residential areas and field river trails.
- Design of new facilities to present an appealing façade to Lonsdale Road

The total cost of the project has been independently estimated at \$ [REDACTED] and can delivered as a staged redevelopment across various years.

With the relocation of BMX and Soccer to Majors Road in early 2022 and the increasing demand for recreational facilities within southern Adelaide, there an exciting opportunity for Council to redevelop the site into active community and recreational facility for Southern Adelaide.

This report seeks direction from Council to progress the Cove Sports and Community Club to detailed design and explore external funding commitments for the delivery of a new facility.

## **RECOMMENDATION**

### **That Council:**

- 1. Notes the Feasibility Study and Business Case for the Cove Sports and Community Club redevelopment.**
- 2. Endorses for the Cove Sports and Community Club BMX Track to be permanently closed and decommissioned with \$ [REDACTED] from the Asset Sustainability Reserve Fund allocated for the removal of the BMX track and associated infrastructure following the relocation of Cove BMX Club in January 2022.**
- 3. Endorses the concept design of the Cove Sport and Community Club redevelopment.**
- 4. Notes the proposed two stage approach to undertake the redevelopment:**
  - a. Stage One (estimated cost of \$ [REDACTED] GST exclusive):**
    - i. demolition of BMX track,**
    - ii. expansion of the existing playing field,**
    - iii. expansion of the car park,**
    - iv. redevelopment of the netball facility.**
  - b. Stage Two (estimated cost of \$ [REDACTED] GST exclusive);**
    - i. new oval clubhouse,**
    - ii. realignment of the upper oval,**
    - iii. ancillary works including play spaces, fitness stations, wayfinding, landscaping and entrance signage.**
- 5. Endorses Administration to prepare a s48 Prudential Report and detailed design and fees for Stage 1, of up to \$ [REDACTED] GST exclusive to be funded from savings identified through the first budget review.**

6. **Endorses Administration to seek external funding opportunities for Stage 1.**
7. **In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that the report Cove Sports and Community Club Feasibility Study and Business Case (excluding attachments) and the minutes to the report be released subject to the financial figures being redacted. Any attachments to this report having been considered in confidence under Section 90(2) and (3)(b) (i) and (ii) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2021.**

## **GENERAL ANALYSIS**

### **Background**

With BMX and Soccer relocating to their new facilities on Majors Road at the end of 2021, it presents an exciting opportunity for Council to consider the future use of the areas that will be left vacant at the Cove Sports and Community Club (CSCC). On 27 January 2021, Council resolved to undertake feasibility investigations to explore options for the redevelopment of the Cove Sports and Community Club based on community feedback in late 2020.

Administration engaged Studio Nine Architects to lead the feasibility study with investigations considering the preferred location for the clubrooms, potential oval size and multi-purpose playing fields, site connectivity, traffic management study, geo-technical analysis, staging options and cost estimate for the project delivery. A series of workshops were also held to engage with the Cove Cobras, Cove Cricket Club, Cove Netball Clubs, Sheidow Park Cricket Club and the peak sporting bodies about their expectations for a new facility.

### **Consultation**

During the feasibility study, the consultation program was designed to work with the stakeholders and site user groups to formulate solutions and incorporate their advice and knowledge of their activities, consistent with Council's objectives for the brief.

Key objectives of the stage included:

- Identifying current and future stakeholders including general community and key stakeholders who are directly affected
- Informing all stakeholders of opportunities to participate in engagement activities
- Understanding the current and future needs and identify solutions
- Informing stakeholders of how their participation influenced the concept design
  - o SANFL
  - o SACA,
  - o Netball SA
  - o Cove Cobras Football Club
  - o Cove Cricket Club
  - o Sheidow Cricket Club
  - o Cove Tigers Netball Club; and
  - o Cove Netball Club.

Following the outcome of this report, community consultation will be undertaken to seek feedback on the concept design. This feedback will be a key consideration in developing the final design for the Cove Sports and Community Complex.

Since the stakeholder engagement meetings and finalisation of the concept, the President of the Cove Tigers Netball Club has requested some minor changes to the netball clubroom and sought additional courts. Noting this concept design phase only, the changes can be worked through during the detailed design phase. The cost of an additional court is \$ [REDACTED] GST exclusive each with the

current utilisation demonstrating that there is no demand for further courts beyond the existing six courts.

### **Outcome of the Feasibility Study**

The existing infrastructure at the CSCC is aging and no longer supports the changing needs of community sport and recreation. With the pending relocation of BMX and soccer from the site, there is an opportunity to redevelop the site into a modern function sport and recreational facility that better meets the needs of the community. Key drivers for the feasibility study options are:

- Redesign of the complex to develop facilities that considers the needs of the whole community in the southern part of the City of the Marion.
- Sustainability: All clubs operating with sound governance structures and a financial operations model that is viable into the future.
- Establishment of facilities that can be licensed exclusively to one club on a seasonal basis to avoid a need for complex operational structures.
- Develop a new club facility to support the use of the ovals and playing fields to address aging infrastructure whilst achieving AFL/ cricket guidelines.
- Expand the playing areas for the growing needs of field sports and useable open space areas for community recreation.
- Improve the quality of the netball courts to competition standard and their connection and integration into the site.
- Improve the clubroom facilities for netball.
- Improve car parking, traffic flows and access.
- Improve landscaping and the aesthetic of the site.
- Provide facilities to cater for general community recreation needs.
- Improve the road presence and entrance into the facility.
- Improve lighting and safety.
- Improve spectator facilities to cater for families and visitors to the site.

Based on these key drivers, the feasibility study and concept design developed by Studio Nine (see Attachment One) considers physical changes to the site including:

- the construction of a new clubhouse building between the oval and multipurpose playing field to AFL and cricket guidelines.
- Multi-purpose playing field with flexible spaces for use of a range of sports.
- AFL compliant oval.
- New netball clubhouse and improved spectator amenity.
- New cricket nets.
- Improved off-street car parking with the viewing around the multi-purpose oval and formal car parking for netball – total of 347 car parks (increase of 196 car parks onsite).
- landscaping elements and site connectivity with walking trails and play spaces for varying aging groups comprising of nature play, fitness stations and play equipment.

The concept design has been estimated to cost approximately \$[REDACTED] Works can be staged to progressively provide the community within Southern Adelaide with a recreational facility that will support formal and recreational sporting activities for generations to come.

### **Delivery of the Redevelopment**

The Feasibility Report and concept designs have been developed to consider staged or overall redevelopment of the Cove Sports and Community club. The options for the delivery of the redevelopment are considered below:

#### **Option One: Deliver the Cove Sports and Community Club as one major redevelopment**

Given the aging infrastructure and low spectator amenity at the site, there is an opportunity for Council to redevelop the site as a major project. This would see the demolition of the BMX track in early 2022 with detailed design and documentation completed in 2022/ early 2023.

The redevelopment would be awarded to one construction company with construction of the oval clubhouse, netball facility, courts, oval/ multi-purpose oval, carparking and landscaping to be delivered over xx months.

This option would require the clubs to decant to temporary facilities and staged approach for the delivery of the oval and multi-purpose field to ensure a playing field is provided for the clubs.

The length of construction is 15 months and cost estimate: \$ [REDACTED] GST exclusive and including all project costs (ie contingencies, escalation Q2 2022 and professional fees)

Option One is currently unfunded and could be considered as potential funding opportunity by Federal or State Government in the upcoming 2022 elections or through a grant funding program.

### **Option Two: Deliver the Cove Sports and Community Club as a series of stages**

The concept design for the CSCC redevelopment presents an exciting opportunity for Council to deliver the project as series of stages across various financial years. The scope of each stage could include a combination of options (i.e. delivery of the netball facility can be the same stage as the multi-purpose oval or construction of the new oval facility with minimal impact) and could be facilitated through the staged delivery of the components including:

#### Stage One

Demolish BMX track, install new carparking and expansion of the soccer oval to create the lower multipurpose field. There would be minimal disturbance to the existing clubhouse and the football/ cricket oval.

At the same time, netball's new clubhouse facility, resurfacing of the courts and netball car park can be constructed. The netball clubs will be required to decant to temporary secure container during the construction of their new clubhouse and storage facility.

The length of construction is 8 months and cost estimate of Stage One: \$ [REDACTED] GST exclusive and including all project costs (ie contingencies, escalation Q2 2022 and professional fees)

#### Stage Two

Stage will complete the redevelopment with the initial part being construction of the lower building of the oval clubhouse with the existing clubhouse to remain operational for cricket and AFL during this construction phase.

At completion of the lower building, the clubs will decant into the new building whilst the upper oval building is constructed and reconfiguration to the upper oval. This would result in minimal impact on the AFL and cricket clubs as the lower building and multi-purpose field could be occupied during the construction phase. Landscaping, play spaces, entrance statements and wayfinding would be completed during this initial stage of work.

The length of construction is 12 months and cost estimate of Stage Two: \$ [REDACTED] GST exclusive and including all project costs (ie contingencies, escalation Q2 2022 and professional fees)

Total Cost: \$ [REDACTED]

The redevelopment is currently unfunded and could be considered by Council as a staged development with funding partnerships to be sought across various stages or financial years. With BMX and Soccer relocating in early 2021, Administration would recommend progressing Stage One to detailed design and documentation in 2022 and demolition of the BMX track, whilst funding opportunities are identified.

### **Further Scope Options**

#### Additional Changerooms to Oval Clubhouse

To allow for future demand in the sports and expansion of the facility, the design for the oval clubhouse has made provision for two additional changerrooms to the east. These changerrooms can



be completed with minimal disruption and would cost an additional \$ [REDACTED] excluding GST and subject to escalation.

### Hybrid synthetic surface

During the workshops with the peak bodies, interest was expressed for the multipurpose playing field surface to be a hybrid (combination of natural and synthetic turf). This type of surface allows for an increase in use whilst minimising the damage to the turf and a reduction in watering.

Both SACA and the SANFL support the use of this surface which has been rolled out extensively throughout Victoria and are seeking to deliver the first in South Australia. There is an opportunity for funding partnerships with the peak bodies.

The cost is \$ [REDACTED] GST exclusive with an asset life of 10 years before replacement is required.

### **Future Operating Model**

The scope for the CSCC site plan and infrastructure designs included the ability for the Clubs based at the CSCC to be able to operate independently.

The layout of the CSCC site fits into five key areas that can enable Clubs to operate facilities and playing spaces under separate licenses with allocated times. The five key areas are:

- Netball Facility & Courts
- Upper Oval
- Main Clubhouse – Upper Oval
- Amenities – Lower Oval
- Lower Oval

The Clubs would operate under the Council's current Leasing and Licensing of Council Owned Facilities Policy, Council is responsible for the maintenance, repairs and replacement of structural items in Council owned buildings and flood lighting, while the lessee is responsible for utilities, outgoings and waste disposal associated with their operations

### **Operating Costs**

Prior to commencing with construction of the CSCC redevelopment, a Prudential Report would be prepared for the Finance and Audit Committee and Councils endorsement. The report would detail the proposed operating model for the facility and ongoing operation costs.

For the purposes of this report and the business case, a high level financial assessment has been prepared to forecast the operating expenditure for the overall redevelopment as summarised below:

<b>Operating Costs</b>	
Maintenance and operating costs	\$ [REDACTED]
<b>Total Operating Costs</b>	\$ [REDACTED]
Depreciation / capital renewal	\$ [REDACTED]
<b>Total Operating Costs</b>	\$ [REDACTED]

The table assumes that Council will be responsible for the annual depreciation of the asset over its 40-year life ([REDACTED] per annum) and structural components.

The annual operating costs are estimated at 2.5% of the capital investment to construct the new facility. The CSCC will operate (i.e. bar consumables, utilities, cleaning) and maintain the facilities together with any specialised infrastructure (scoreboards, goals, nets). This is in line with the City

of Marion's Leasing and Licensing policy.

### **Future of Cove Sports and Community Club BMX Track**

With the Sam Willoughby BMX Facility under construction and to be completed in December 2021, the Cove BMX club will relocate from the CSCC to the new facility in January 2022. This will see the existing BMX track become surplus to requirements with direction sought about the timing for the decommissioning of the track and its associated infrastructure.

The closure of CSCC BMX track and infrastructure to the community and it's decommissioning could either occur:

1. Immediately following the relocation of Cove BMX club to SWBMX facility in January 2022;  
or
2. Completion of the pump track at the SWBMX facility in mid-2022.

The preference from Administration would be immediate closure and subsequent removal of the CSCC BMX track to facilitate the expansion of the playing field and remove any risk of potential community sentiment to retaining the track into future (there has been no request to keep the track to date). Community consultation around the closure of the track would be included as part of the next stage of the CSCC redevelopment.

### **ATTACHMENTS**

1. 210906-0909-112 Cove Sports and Community Club Feasibility Report [**18.1.1** - 161 pages]
2. CSCC Business Case 2021 [**18.1.2** - 31 pages]