

16.4 Unsolicited Proposal - 262 Sturt Road, Marion

Report Reference	GC211026F16.4
Originating Officer	General Manager City Development – Ilia Houridis
Corporate Manager	N/A
General Manager	Chief Executive Officer - Tony Harrison

CONFIDENTIAL MOTION

That pursuant to Section 90(2) and (3)(d)(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 City Services, General Manager Corporate Services, Manager Office of the Chief Executive, Manager City Activation, Chief Financial Officer, Communications Advisor, Unit Manager Governance and Council Support and Governance Officer, be excluded from the meeting as the Council receives and considers information relating to *Unsolicited Proposal – 262 Sturt Road, Marion*, 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 a proposal from a third party.

REPORT OBJECTIVE

The purpose of this report is to seek Council direction on the unsolicited proposal for the Marion Arena proposal at 262 Sturt Road, Marion.

EXECUTIVE SUMMARY

Cruachan Investments and the Pelligra Group form the Consortium that have put forward an Unsolicited Proposal for the development of the Marion Arena, a sporting and recreational hub that would deliver:

- An international standard ice rink (single sheet)
- 350-450 spectator capacity
- Pro shop
- Sport Climbing – international competition rock climbing walls
- Recreational rock climbing and bouldering
- Themed rock climbing walls for children
- Children's play café
- Kiosk/restaurant

On 13 July 2021 (SGC210713F12.02) Council endorsed Administration to progress discussions with the Consortium, including clarifications of a number of key requirements.

The Consortium sought an extension of time from the 31 August 2021 response date sought and submitted their revised proposal on 12 October 2021, addressing the criteria and are now seeking to enter into a period of exclusivity to negotiate the final terms of this proposal.

It should also be noted that Council sought to pursue the purchase of the two premises to the west of Jasmine Avenue (2a Jasmine Avenue and 266 Sturt Road Marion), to compensate for the potential loss of accessible sporting land at 262 Sturt Road, due to this potential long term leasing of land. Administration

engaged McGees Property to act as an agent to confidentially approach the owners and neither party are interested in selling their property at this time.

RECOMMENDATION

That Council:

- 1. Endorse Council entering into a Period of Exclusivity with the proponent to formalise contractual arrangements with regard to the proposal.**
- 2. Endorse the following criteria for the contractual arrangements:**
 - a. No capital or operating investment from the City of Marion;**
 - b. A 42 year lease term with peppercorn rent;**
 - c. A 90% reduction in rates, noting the equivalent discount value will be invested into junior ice sports and rock climbing development for residents in the City of Marion local government area;**
 - d. A put option at the expiration of the 42 year lease term requiring the City of Marion to purchase the building from the Consortium for an amount agreed to by both parties in the put option agreement.**
- 3. Note Administration will bring a future report detailing the final negotiated contractual arrangements to formalise the agreement with the proponent.**
- 4. Notes that this process is non-binding on Council in line with its Unsolicited Bids Proposal policy.**
- 5. In accordance with Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that this report, Unsolicited Proposal – 262 Sturt Road, Marion, any appendices and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(d)(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.**

DISCUSSION

On 13 July 2021 at a Special General Council meeting (SGC210713F12.02) endorsed further investigation of the Unsolicited Proposal for the Marion Arena subject to the following conditions:

That Council:

- 1. Notes the unsolicited proposal for the Marion Arena proposal (the Proposal) at 262 Sturt Road, Marion (the Site) from Ice Rink Adelaide and Pelligra Group (the Developer).*
- 2. Support the Proposal only on the basis that it can be achieved through a 42 year lease arrangement. Direct staff to communicate this to the Developer for consideration and potential submission of a revised proposal, to be submitted by 31 August 2021.*
- 3. Planning re vehicular travel and parking has long term regard to the amenity of Douglas Street and Christina Street remaining as residential streets with no increase of vehicular traffic.*

4. *Pursues the purchase of the two premises to the west of Jasmine Avenue, Marion, to compensate for the potential loss of accessible sporting land at 262 Sturt Road, due to this potential long term leasing of land.*
5. *Notes that this process is non-binding on Council in line with its Unsolicited Bids Proposal policy.*

The proponent has provided a revised proposal that addressed the above conditions (refer attachment 1).

Financial Impacts of the Proposal

The proponent will be investing \$20-\$25 million to deliver the proposed infrastructure and will be subject to all relevant approvals for development.

As part of their financial commitment, the proponent is seeking two forms of financial remedy from the City of Marion:

- Peppercorn rental for 42 years
- Rate relief of 90% of the proposal

Rental

Currently a formal rental assessment has not been completed as there is not a finalised and approved development proposal to assess and establish a commercial value. This assessment will be undertaken as part of the next phase of contractual negotiations to establish foregone revenue to Council.

Rate Relief

As a guide, the determination of commercial council rates are approximately \$6,000 per \$1million of capital value of the building.

On the maximum assumption of a \$25 million build, this would equate to annual rates of \$150,000. Across 42 years, this equates to \$6.3 million (not indexed).

In line with the proposal put forward by the Consortium, 90% of this amount (\$5.67 million) would be returned through the delivery of programs to City of Marion residents at this venue across the term of the lease. This equates to \$135,000 per annum (non-indexed).

Council should note that it does not currently collect rates for this location.

Put Option

At the conclusion of the 42 year lease, Council will have the option to decide to enter into a further lease term, or to acquire the building at a mutually agreed value between Council and the Consortium.

Period of Exclusivity

The City of Marion Unsolicited Proposal Policy provides for Council at its absolute discretion to enter into a period of exclusive negotiation with a proponent, where Council decides circumstances are beneficial to deal exclusively with one party in relation to a particular proposal that has been submitted. The criteria for Council to consider to determine if a period of exclusivity should be entered into are:

- No competing proposals exist;
- Urgency;

- Community benefit; Uniqueness - promoting the development of unique and innovative ideas for the ultimate purpose of increasing public value through jobs creation and more efficient and effective services;
- Ensuring an open, transparent and fair process that involves a high standard of probity and public accountability;
- Value for money unlikely to be matched in an open tender; and
- Capacity and capability of the proponent.

During a period of exclusivity appropriate confidentiality will be maintained and respected, particularly in regard to information supplied to Council from a proponent that is confidential.

CRITERIA	RESPONSE
No competing proposals exist;	<ul style="list-style-type: none"> • There are no competing proposals.
Urgency;	<ul style="list-style-type: none"> • There is urgency relating to the opportunity to secure State Government Funding and to be prepared to capitalise on the pending State Government Election.
Community benefit; Uniqueness - promoting the development of unique and innovative ideas for the ultimate purpose of increasing public value through jobs creation and more efficient and effective services;	<ul style="list-style-type: none"> • This is a unique proposition and like Glenthorne Farm infrastructure and the State Aquatic and Leisure Centre would bring a further unique community asset to the City of Marion.
Value for money unlikely to be matched in an open tender; and	<ul style="list-style-type: none"> • As a unique proposition, this infrastructure proposal would come at no capital cost to the City of Marion, nor would there be ongoing maintenance or operational costs of this facility.
Capacity and capability of the proponent.	<ul style="list-style-type: none"> • The capacity and capability of the proponent has been previously assessed. The Pelligra group in particular have a high pedigree of projects locally, nationally and internationally. Their capability statement is outlined in the attached proposal.

It is considered that the proposal meets the requirements of the policy and the conditions sought by Council in its resolution of 22 June 2021.

With respect to Council's General Rights under the policy, Council may:

- At any stage of the process if it assesses that a proposal does not meet the criteria to be considered or considered further, make an approach to the market in respect of the subject matter of the proposal and end consideration of the proposal and withdraw from any negotiation with the proponent in relation to it;
- Amend, vary or revoke and replace this policy at any time;
- Accept or reject any unsolicited proposal;
- Subject to any period of exclusivity, negotiate with any person in relation to the subject matter of an unsolicited proposal;
- Accept all or part of an unsolicited proposal;
- Discontinue negotiations with any proponent; and
- Include any proponents name in council reports and, subject to any period of exclusivity and any agreement with a proponent to the contrary, make them public.

Other considerations for the proposal

Community Land:

Given this proposal has been agreed to occur under a 42 year lease, the community land status of this site remains, with no requirement to progress any form of land revocation.

As a result, the proponent has sought to include an obligation for the City of Marion to purchase the building at the end of the lease in the event a further 42 year lease is not granted by Council.

262 Sturt Road

The proposed site forms part of the broader 262 Sturt Road precinct. Whilst the identified land is open space, it is not at a scale to provide additional competition level playing surfaces, however could be considered for training. Council noted this position and resolved to proceed to explore, but to also seek the interest of two privately held properties in the south east corner of the precinct at 2a Jasmine Avenue and 266 Sturt Road, to compensate for the potential loss of accessible sporting land at 262 Sturt Road, due to this potential long term leasing of land.

Administration engaged McGees Property to confidentially approach the two land owners to test their interest to sell. Both owners expressed that they have no interest in selling at this point in time (refer attachment 2).

The Croquet Club will ultimately need to be relocated as part of this proposal. The Club has low member numbers and can be relocated to alternate locations. Administration will bring options for the relocation for Council's endorsement as part of its next report to Council.

Next Steps

The next stage of the Unsolicited Proposals process is to formalise the agreement and terms through the establishment of a contract. In undertaking the contract negotiations Administration will:

- Advise Proponent of the process and protocols for the development of the final contract;
- Seek legal, financial and technical advice on finalising the unsolicited proposal;
- Finalise negotiations between Council and the Proponent;
- Formal contract management documentation prepared based on the final negotiations, including key milestones/objectives;
- Final Proposal presented to General Council to seek approval;
 - Advise Proponent of the resolution of Council;
 - Agree to the terms included in the contractual documentation and approve formal documentation to be executed; or
 - Agree to the contractual documentation, with specific alternative conditions; or

Council still reserves the right to conclude the Unsolicited Proposal process at any stage. The proponents have been advised that should the final contractual negotiations not meet Council's expectations that Council remains under no obligation to enter into those arrangements.

ATTACHMENTS

1. Marion Arena Business Case Final October 2021 [16.4.1 - 30 pages]
2. McGees Property Report to Council - 262 Sturt Road [16.4.2 - 2 pages]

262 Sturt Road Marion

Business Case

October 2021



Prepared by Cruachan Investments Pty Ltd September 2021



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Executive Summary

The site located at 262 Sturt Road Marion provides an opportunity to create a sporting, recreation, and social hub to be enjoyed by the community within the City of Marion and beyond. A development by Ice Rinks Adelaide comprising ice rink, rock climbing walls and other recreational areas would provide the City of Marion with a unique multi-use facility without peer in the southern half of metropolitan Adelaide.

Ice rinks are unique destination venues that attract people of all ages to come together and socialize in a safe and fun environment. They create interesting social hubs and provide opportunities for people wanting to participate in different sports. They also provide local governments with an exceptional tourism attraction that is not easily or likely to be replicated in surrounding areas.

The proposed facility is much more than a recreation and social hub. The ice rink will comply with International Ice Hockey Federation and International Skating Union criteria for inclusion in World Championship events in the sports of ice hockey and figure skating. Similarly, the rock climbing walls will be the first in Australia to meet Olympic competition standards to accommodate the growing participation in sport climbing. All three Olympic elements; Lead, Speed and Bouldering will be incorporated.

Ice Rinks Adelaide has partnered with the Pelligra Group (Consortium) to develop and operate ice rink and rock climbing facilities across Australia. The proposed Marion development will provide access to recreational and sporting activities for the residents of the southern metropolitan area and complement the central and northern facilities.

The Pelligra Group has an extensive portfolio of developments including more than 40 sporting complexes. In 2021, the Group purchased the 8,000 seat Titanium Security Arena Stadium in Findon South Australia and has since announced a \$24 million upgrade which will include additional building works to accommodate additional indoor and outdoor courts. The Group is also funding the development of the new Adelaide Crows city facility.

The facility is projected to cost \$20-22.5 million, creating 60 full time jobs during construction and 50-60 ongoing positions (25 FTE).

The proposal does not seek or require any financial contributions from the City of Marion but does require a 42-year peppercorn lease and discounted Council rates. A contractual agreement is also required that would obligate the City of Marion to purchase the building at the end of the lease in the event a further 42-year lease is not granted by Council.

The Consortium wishes to progress to an exclusivity agreement with the City of Marion to negotiate final terms.



1 Proposal

The land located at 262 Sturt Road, Marion provides the City of Marion with an exciting opportunity to activate an underutilized site. A site with such strategic importance given its location and size should be developed to maximize community engagement, recreational involvement, and sporting participation.

Ice Rinks Adelaide identified the site as a preferred location for an ice rink and rock-climbing facility. A proposal was presented to the City of Marion in 2018 which garnered excitement and support from the local community and ice sports users.

In September 2020 an alternate unsolicited proposal was presented to the City of Marion which addressed the concerns of the original proposal raised by Council. This business case is provided as a formal request to progress to a period of exclusivity to negotiate final terms to develop the site at 262 Sturt Road, Marion.

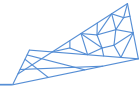
The proposed facility will have reduced spectator capacity and a reduction in overall visitor numbers proportionate to the lesser number of activities and building space. Fewer visitors will reduce carparking demand and traffic management concerns raised in the original proposal.

The Marion Arena would be one of three multi-purpose recreational, ice sports and sport climbing facilities planned for construction in Adelaide, servicing the local and broader inner and outer southern suburbs. The ice rink and sport climbing components, designed to Olympic standard, will complement other international standard facilities in the City of Marion such as the UCI approved BMX facility and the South Australian Aquatic and Leisure Centre. The proposed facility would comprise:

- International standard ice rink (single sheet of ice)
- 350-450 spectator capacity
- Pro shop
- Sport climbing - International competition rock-climbing walls
- Recreational rock climbing and bouldering
- Themed rock-climbing walls for children
- Children's Play café
- Kiosk/restaurant

The redesign allows for a greater number of carparks on site and preserves access to the water tank and reticulation pump system for the adjacent ovals. The two mature trees in the carpark remain protected and the existing carparking infrastructure is augmented with an additional 60 carparks increasing the total on site carparking to approximately 130 spaces (figure1).

Additional car parks may be included through undercroft parking below the ice rink area and adjacent the western boundary. This would increase the total on site carparking to more than 260 spaces. The cost of additional car parking is estimated at \$2.5million.



On site car parking spaces are considered sufficient to accommodate forecast demand without the need to use spaces beyond the those marked in figure 1 and contained within the development site.



Figure 1. Site Plan with car parking layout.

The proposed building mass and height is commensurately smaller (figure 2.) Lower wall heights and larger setbacks from boundaries reduce the previous building's imposing dimensions.

The development is expected to cost \$20-22.5 million based on the initial concept drawings.



Figure 2. Site Plan with car parking layout.

The iconic façade is maintained providing an attractive and contemporary building design for the area. Windows, while commonly absent in ice rinks, are present on the front elevation to showcase the activities inside.

Design elements are an important consideration in the projects as they promote the building's activities and mitigate the unattractiveness of modern tilt up "box" construction, and instead provide cities with exciting and unique buildings.



1.1 Ice Rinks Adelaide/Pelligra Goup Consortium

In January 2016 Ice Rinks Adelaide (company of Cruachan Investments Pty Ltd) publicly announced a strategy to develop ice rink and rock-climbing facilities across metropolitan Adelaide.

Ice Rinks Adelaide has since partnered with the Pelligra Group to fund and operate projects across Australia. The first facility by the consortium in the northern suburbs of South Australia is scheduled to open in March 2022. A central twin pad stadium is currently under negotiation with the State Government.

A twin pad stadium in the Australian Capital Territory is expected to commence construction in June 2022 after winning an expression of interest to design, construct and operate a facility in the Capital.

Marion Arena

The State Government has been advised of plans to construct a facility in or around the Marion area to provide access for residents in the southern suburbs of metropolitan Adelaide.

A comprehensive analysis was undertaken to identify general locations along with specific sites that would provide the best outcomes for recreation and sporting needs.

A subsequent proposal for a twin pad facility was presented to the City of Marion. Following the rejection of the original proposal an unsolicited proposal was presented with significant design changes. This business case for a single pad facility, which addresses the concerns, is now presented.

Table 1. Sturt Road location profile.

Marion Arena (proposed)	
<ul style="list-style-type: none"> • Main road frontage with 37,000 vehicle movements each day • Adjacent to South Australia's largest shopping complex, Westfield Marion <ul style="list-style-type: none"> ○ 14,200,000 annual visitors ○ Trade area population 486,000 • Close to Southern Expressway • 900 metres to the SA Aquatic and Leisure Centre • 700 metres to the Marion Holiday Park • Close to the Flinders University Campus • Close to several schools • Immediately opposite major bus route • 400 metres from the Marion Transport Interchange 	



Sturt road site provides the best access possible for residents of the City of Marion and beyond.

The Sturt Road site remains an important location as it ideally meets many of the essential criteria (Table 1) required by the Ice Rinks Adelaide business model including: main road frontage, proximity to a large shopping complex with integrated transport hub and accessibility by vehicle. Importantly, the market catchment area is geographically separate from the proposed central and under development northern facility (figure 3) therefore minimising market overlap and maximising access for the entire metropolitan Adelaide region.

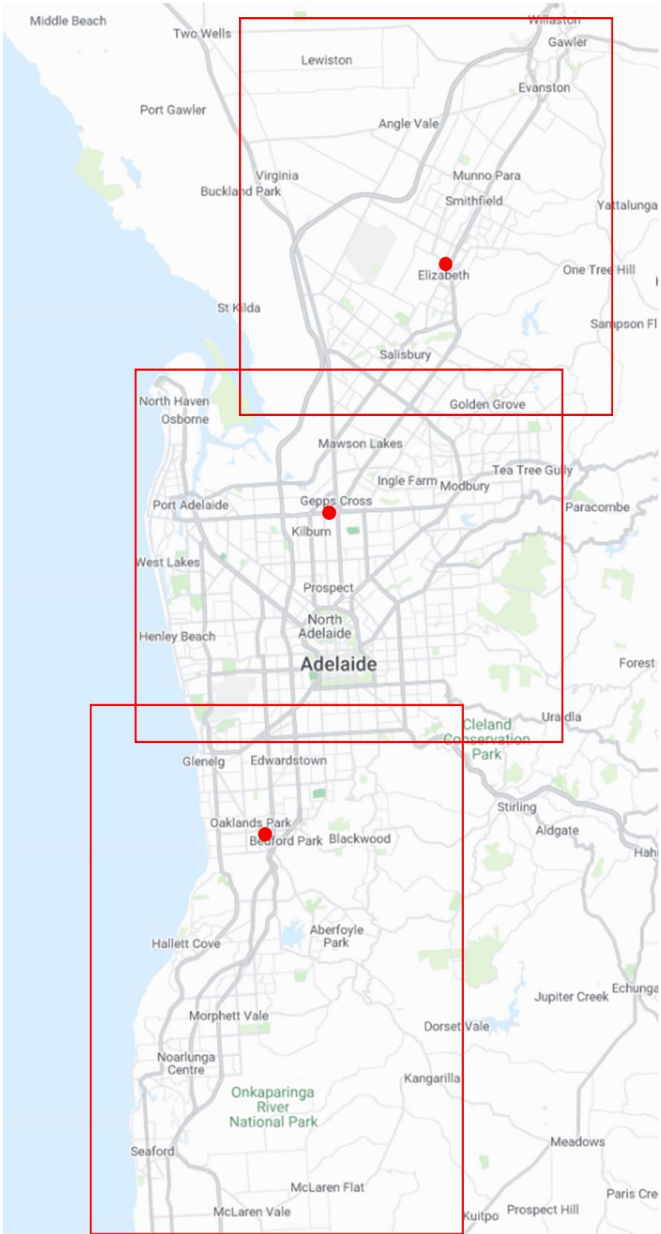


Figure 3. Minimal market overlap of facilities.



2 Community Benefit of the Proposal

2.1 Community and Recreational Outcomes

General fitness training and Australia's first "Ski-fit" classes will offer novel and exciting exercise programs on low impact ski machines

Ice skating is a popular activity as is evidenced by the increasing number of "pop up" ice rinks each winter.

Social Benefits

The concept of the ice rink as a centre for attracting and fostering community has been a long tradition in South Australia from the humble beginnings in Hindley Street, Adelaide, the first ice rink in Australia, more than 100 years ago.

Ice rinks and rock-climbing facilities easily accommodate large groups of people of all ages in a safe and fun environment and encourage social interaction and healthy activity. The attraction and "crowd pull" of ice rinks is evidenced by the number of pop-up ice rinks during winter (figure 4).

Health Benefits

Research on the benefits of sport and recreational activity on health were demonstrated in the 1950s. Since that time, this area of research has continued to expand to look not just at the physical health improvements, but also mental and social improvements associated with physical activity. Australia like most western countries is losing the battle on obesity with ever increasing health problems and cost implications stemming from the rise in overweight people.



Figure 4. Popularity of temporary ice rinks (Glenelg SA, 1 July 2018).

The health benefits of the proposed Marion Arena may not be directly measurable. However, children and adults alike are expected to participate in activities that will have long term positive health outcomes for individuals.

The proposed Marion Arena will have a diverse offering of activities suitable for all age groups in addition to ice and rock sport specific pursuits. General fitness training and Australia's first "Ski Fit" classes will offer novel exercise programs



on low impact ski machines. Forecast recreational visits against activity are identified in table 2.

Table 2. Recreational visits by activity.

Recreational visits summary	
Ice skating	48,800
Snow Play	7,000
Rock Climbing	22,000
Bouldering	15,000
Play Café	18,000
Funtopia	20,000
Ski Fit	4,000

Forecast recreational visits were determined from sector wide analysis of known comparable facility data.

Recreational ice skating visitation varies considerably between venues and is highly correlated with the quality of the venue and accessibility. A 2012 report by Grollo Leisure & Tourism¹, based on individual venue data, reported visitation averages of 54,845 per year. Glenorchy, Tasmania and Warrina, Queensland were noticeable outliers with 20,000 average visits per rink. Both rinks are undersized and unable to host proper sporting activities. Conversely, the Docklands, Melbourne rink and the now closed Sydney Ice Arena, averaged more than 200,000 and 125,000 respectively.

While the report is old, the figures still reflect contemporary visitations. For example, the Docklands rink (O'Brien Group Arena) has maintained recreational ice skating visits in excess of 200,000 per annum, confirmed by the venue. Similarly, the Ice Arena Thebarton has maintained 60,000 visits per year as reported and is consistent with the last three financial year reports provided by the South Australian Ice Sports Federation.

Recreational ice skating visitation of 48,800 was determined after considering the catchment area from shopping complex data², distance versus attendance research³ and discounting effect of multiple facilities. It should be noted that additional facilities in Victoria increased overall visitor numbers rather than dilute an existing pool of facility users. Greater access through improved travel times encourages recreational activity.

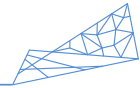
There are more than 300,000 Australians climbing at indoor Sport Climbing Gyms⁴. The proponent of a proposed \$220 million shopping and entertainment complex at Parafield in 2016 presented a Macroplan Dimasi report to the City of Salisbury, forecasting rock climbing figures of 80,000 per annum. A combined figure of 37,000, comprising 22,000 rock climbing and 15,000 bouldering is assumed in this report and is considered conservative given the similarities in

¹ Grollo Leisure & Tourism. World Park Ice Centre Feasibility – April 2012,

² SPH REIT Management Pty Ltd. Acquisition of 50.0% Interest in Westfield Marion Shopping Centre, November 2019

³ McCormack G, Giles-Corti B, Bulsara M, Pikora t. Correlates of distances traveled to use recreational facilities for physical activity behaviours. *International Journal of Behavioural Nutrition and Physical Activity*, 2006.

⁴ Australian Olympic Committee. [Sport Climbing | Australian Olympic Committee \(olympics.com.au\)](https://olympics.com.au)



socio-economic and other demographic characteristics shared in the Parafield Gardens catchment area and that of the broader Marion catchment area.

Themed rock climbing for children is a relatively new concept in Australia. The sector is dominated by two competitors, Funtopia and Clip “n” Climb. Centres are extremely popular globally and is considered an effective introduction for children into sport and rock climbing.

Initial research on visitation numbers for Funtopia was based on the Maribyrnong, Melbourne facility which averages 105,000 visits per year. Latitude in Greenacres, South Australia attracts 41,500 visits just related to birthday parties each year. The manufacturer of Funtopia products, Walltopia is the largest producer of rock climbing and related infrastructure in the world and suggest the average annual visits for a small facility is approximately 70,000.

The forecast of 20,000 visits was conservatively determined for investment purposes and acknowledging that several Funtopia venues are scheduled to open in South Australia.



**Sporting Benefits**

Good quality sporting venues inspire people to participate, however venues alone cannot drive continued growth in sports. This requires a targeted plan executed by the right people. Ice Rinks Adelaide has consulted with peak associations to ensure the facility meets the needs of its members. Strategies are also being developed with peak associations to maximise the growth in participation across all sporting disciplines.

Interstate rinks have demonstrated that new and quality infrastructure attracts and retains increased sports participation, for example, the O'Brien Group Arena in Docklands, Melbourne increased registrations for league ice hockey by more than 1,000 in the first twelve months of opening. Registrations have continued to grow while non-league ice hockey has grown to the point it is nearly impossible to book new ice time slots. A new additional rink has opened in Victoria and plans are underway for a fourth public facility and one training rink for professional teams.

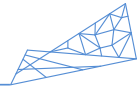


3 Services, programs, and activities

3.1 Sports Specific School Programs

Ice Sports

Allocated rink time for sport allows ice sports to be expanded into school programs. Ice Rinks Adelaide has developed programs, aimed at increasing participation across all ice sports in schools. A specific inter school ice sports competition will be expanded to all schools in the local area.

**Sport Climbing**

As a new Olympic sport rock climbing is expected to experience greater interest and uptake in participation beyond its recent stellar worldwide growth. A sport climbing academy integrated within the secondary education curriculum will be established in the same format as the ice sports giving students a diversity of options within their school's physical education streams.

3.2 Other Programs and Activities

After School Programs

Programs will be available to encourage participation in ice sports and sports climbing outside of the school system. The first of the programs will be based on the highly successful and internationally acclaimed Figure Skating in Harlem <https://figureskatinginharlem.org/>, also recognized by the US Olympic Committee, Beyond Sport and CNN Heroes.

School Holiday Programs

The Marion Arena will run special holiday programs across the disciplines for the duration of school holidays. Programs will comprise "lock in" events so parents may leave children in the care of the facility to attend events without the need to find expensive out of school care. Other specialist programs have been designed to assist budding athletes develop skills in their chosen sport.





4 High level market needs analysis

4.1 Ice Sports in Australia

Ice sports, particularly ice hockey, have grown to such an extent that there is no longer ice time available for clubs and leagues to expand

Ice sports and recreational ice skating have experienced considerable growth in the last twenty years. Ice sports, particularly ice hockey, have grown to such an extent that there is no longer ice time available for clubs and leagues to expand.

Australian Ice Hockey League (AIHL)

The AIHL is the preeminent hockey league in Australia. The league is semi-professional with 8 teams competing in a national competition. The Adelaide Adrenaline team is the only South Australian team in the league and games regularly sell-out in the small capacity 550 seat Thebarton Ice Arena.

Additional teams will be created in both the men's and women's divisions with one of each making the Marion Arena their home base.

Adult League Ice Hockey

Adult league ice hockey has grown considerably in the last couple of decades from two four team divisions (A and B grade) to four divisions in 2017 (Premier League, A, B and C grade).

Premier League

The Premier League (formally A Grade) was introduced in 2017 to accommodate the continued expansion of lower level hockey in South Australia. The League comprises five teams. The division is the highest level of State based full checking (contact) ice hockey.

A Grade

The A Grade competition comprises five teams and is the highest level of non-checking ice hockey in the state.

B Grade

In 1996 the B Grade ice hockey division comprised four teams. It expanded to nine teams in 2016 and back to four teams in 2017 following the introduction of Premier League and C Grade. A request for a tenth team to be added in 2016 was rejected by the state association due to the unavailability of ice time.

C Grade

In the ten years since inception, it has grown to twelve teams in a twodivision competition. In 2017 the division was formally included into the winter league structure.

This lower division provides great opportunities for players with limited experience and for junior players who are not ready for higher competition leagues to participate in ice hockey. Its expansion is expected to continue as the profile of ice hockey grows.

A summer C Grade League also operates to accommodate those players who are not able to play winter league due to lack of ice time available for additional teams.



Junior League Ice Hockey

Junior leagues are graded by age with 8 teams across three divisions. The lack of availability of ice, and the times allocated to ice hockey generally, has severely restricted the growth of junior leagues. Despite these impediments the junior program continues to produce skilled ice hockey players with good retention rates in the adult leagues.

Total increase in ice hockey participation

In the last eight years the number of ice hockey players has more than doubled. The total number of players is even greater if non-organised recreational activity is included.

Ice hockey will continue to grow with new facilities. Access to these facilities will also become an attractive selling point for the City of Marion.

4.2 Sport and Rock Climbing

Indoor climbing is experiencing significant growth worldwide. The International Federation of Sport Climbing (IFSC) reports:

- 25 million people worldwide are climbing regularly.
- Based on liability waivers; estimated that between 1,000 and 1,500 people are trying climbing for the first time every single day, in the US alone.
- In Austria, the number of members and member clubs in 2008 was 23,170 in 141 clubs. In 2016 it has grown to 64,140 members in 176 member clubs.
- In England, the number of young people taking part in the BMC Youth Climbing Series increased by 50 per cent in the last five years.

Sport climbing is expected to experience significant growth beyond what has already been experienced following its inclusion in the Olympic Games

Climbing Business Journal reported:

- The US experienced double-digit growth in climbing gym openings from 2013-2015.
- The US is expected to increase the number of climbing gyms by 13 per cent in 2016
- In Canada the growth rate is greater and is expected to grow by 15 per cent in 2016.
- Commercial climbing gyms grew a further 10% in 2017 and 11.8% in 2018.

Similar growth patterns are emerging in Australia despite the lack of facilities. For example, the national peak body for rock climbing competition, Sport Climbing Australia, experienced a 44 per cent increase in registered competition members from 900 in 2014 to more than 1300 in 2015.



Sport Climbing

Sport climbing, as the name suggests, is a specific sporting discipline carried out on indoor climbing apparatus and highly specialised equipment such as speed walls. Speed, agility, and technical prowess are hallmarks of the sport.

Lead - is the most common type of sport climbing. Competitors climb a long and difficult route to reach the top. The winning climber is determined by the highest hold point reached. A time limit of between 6-8 minutes is determined by the route setter before the competition.

Bouldering – competition consists of climbing without belay ropes on short walls. Falls are stopped by safety mats. This discipline is marked by high difficulty concentrated into a short route, limited competition time, and proximity to the spectators. The competitor's score is determined by the overall number of routes set and the number of attempts required.

Speed - is the only factor that counts in the speed climbing event. Competitors climb a slightly overhanging IFSC certified vertical wall with belaying from the top. Since 2007 the IFSC has created a standard wall for the world record. The climbing time is determined by mechanical-electric timing.

Olympic Sport

In August 2016 the International Olympic Committee announced that Sport Climbing would be included in the Tokyo Summer Olympic Games program. The inclusion has profoundly increased the awareness and attraction of the sport.

As a nation, our best sporting outcomes at the elite level are achieved in sports where there are natural environmental attributes that facilitate take up and access, swimming and cycling are two notable examples.

Australia has vast areas of natural rock formations, attracting thousands of people into rock climbing. However, Australia lags Europe, Asia, and North America in terms of indoor sport climbing gyms. South Australia, like the rest of the country, does not have a single facility with all three elements of sport climbing installed. The Marion Arena will be the only facility South of the CBD with Olympic standard climbing walls.

Indoor Rock Climbing

Indoor rock climbing gyms accommodate the needs of recreational and sport climbers and outdoor climbers who train for specific climbs.

Outdoor climbing is inherently dangerous. Enthusiasts acknowledge this and consequently build their skills, hone techniques, and work on strength and conditioning in the safety of indoor climbing gyms.

Indoor recreational climbing is the most popular form of climbing. It is safe, unaffected by inclement weather, and has the flexibility to be performed alone (auto-belays) or in groups. Schools, workplaces, sporting groups and organisations such as Scouts and Girl Guides are regular users of indoor gyms for enjoyment, socialising, bonding, fitness, and personal development.



4.3 Conclusion

Ice sports and sport climbing have much in common. The two sectors are experiencing growth in participation, the profiles of the sports are increasing nationally and internationally, they offer opportunities for young people to compete internationally, and neither has suitable facilities to accommodate existing demand or support further growth.

The City of Marion will be at the centre of this growth opportunity with the development of the Marion Arena.





5 Economic outcomes and employment opportunities

5.1 Tourism Benefits

The breadth of recreational, entertainment and sporting activities in an Ice Rinks Adelaide facility offer unparalleled tourism attraction for a single venue. The broad catchment is expected to attract visitors from across the entire southern half of the Adelaide metropolitan area.

Local businesses will also benefit from the short and long stay visitors attending sporting tournaments and training camps, many of which will occur during the typically quieter trading months of May through to August.

5.2 Employment Benefits

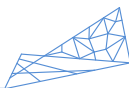
The Marion Arena will create more than 25 FTE ongoing positions (around 50-60 casual, part-time and full-time positions) and more than 60 FTE positions during construction.

It is expected that the attraction of events including national and international tournaments will also have significant flow on benefits to the local business community, further increasing employment opportunities.

Table 3. Total direct employment Marion Arenas

Employment figures
Direct employment – Marion Arena
60 FTE positions during construction
25 FTE positions ongoing (equating to 50-60 casual, part-time and full-time positions)

In addition to the indirect and direct employment opportunities (Table 3) there are many other opportunities, for young people, to develop skills that are transferable to the workplace. Voluntary positions in sporting associations, tournament organisers, skate patrol, rope guides and rock-climbing route setters learn and refine skills and knowledge that will assist them in obtaining employment.



5.3 Networks and Support

Enormous support from the community, council, peak bodies and Australian Institutes

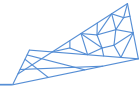
Peak Associations

Peak state and national bodies representing ice sports and rock climbing have been regularly consulted and are actively involved in Ice Rinks Adelaide’s projects. Australia’s most prestigious sporting institutes, Olympic Winter institute of Australia and the Australian Olympic Committee lead the long list of associations supporting the ice sport and rock-climbing infrastructure as proposed by Ice Rinks Adelaide (Table 4).

The institutes and sporting bodies are continually appraised of proposed developments in South Australia and interstate and maintain their support and commitment to projects.

Table 4. Summary of institutes and oranisations supporting Ice Rinks Adelaide

National Institutions	
Olympic Winter Institute of Australia	
Australian Olympic Committee	
State and National Sporting Associations	
South Australian Ice Sports Federation	State Peak body representing all ice sports
Ice Hockey Australia	National association for ice hockey
Ice Hockey South Australia	State association for ice hockey
Australian Ice Hockey League	National ice hockey league competition
Para Ice Hockey Australia	National association for para ice hockey
Adelaide Adrenaline	State AIHL team
Recreational Ice Sports Association	State association for recreational ice sports
Broomball Australia	National association for Broomball
Australian Ice Racing	National association for speed skating
Sport Climbing Australia	National association for sports climbing
Sport Climbing South Australia	State association for sports climbing
Climbing Club of South Australia	State association for rock climbing
Uni SA Rock Climbing Club	Largest rock-climbing club in South Australia
RAVTASS	Multi-sport association



6 Capacity to fund, deliver and operate a community/recreational facility

6.1 Current Sport Projects and Investment in South Australia

Basketball

The Pelligra Group purchased the Titanium Stadium in 2021 and planning a \$24 million redevelopment.

Baseball Teams

The Pelligra Group purchased the Adelaide Giants baseball team from the Adelaide Crows Football Club in 2021.

Baseball Stadium

On August 25, 2021, the Pelligra Group announced plans to build a new baseball stadium with up to 5000 spectator seating. Several sites for the new \$40 million stadium have been identified.

Football

The Pelligra Group partnered with the Adelaide Crows Football Club to finance, coordinate and develop a new headquarters and training centre for the club.

Ice sports Teams

Adelaide Adrenaline

The Consortium has agreed to purchase the Adelaide Adrenaline license and invest in the team. Adrenaline is the state's only team in the Australian Ice Hockey League (AIHL), Australia's semi-professional national competition. An announcement with the team is imminent.

Adelaide Rush

The Consortium has agreed to purchase the Adelaide Rush license to invest in and develop women's ice hockey. The Rush competes in the Australian Women's Ice Hockey League. The announcement will be made together with the Adrenaline news.

Ice Rinks

Canberra Stadium

The Consortium was successful applicant in the Australian Capital Territory's expression of interest to design, construct and operate a twin pad ice sports stadium in Canberra.

Northern Rink

Refurbishment of existing building to accommodate a single pad ice rink in Elizabeth, scheduled for completion in April 2022.

Northern Stadium

Development of a twin pad stadium in Elizabeth under consideration.



Central Stadium

Principal ice sports twin pad ice sports facility in South Australia. Site identified and subject to negotiations with State Government.

6.2 Business Viability

Several years of research and analysis was undertaken to determine the mix of recreational and sporting activities to be incorporated into all Ice Rinks Adelaide's facilities. Existing and future demand, demographics, population trends and market gaps were among the many variables assessed.

The scope and type of activities included in the business model were rigorously stress tested to provide confidence in the likely success of the project and to attract the necessary third-party investment.

Ice Rinks rarely require financial assistance beyond the original capital cost. Community run facilities are the exceptions due to the lack of business acumen often encountered in volunteer organisations. This was highlighted in the Grollo Leisure & Tourism Report. The number of aging ice rinks across Australia is testament to their financial viability.

Indoor climbing gyms globally are booming and demonstrate greater than average return on investment for sporting infrastructure. Combining two viable sectors into one business model with shared administration and core service areas provides a very high level of confidence for financial success and in turn security for the sports using the venues.

6.3 Operational Capability

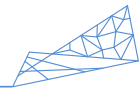
Operations Joint Venture

The Marion Arena will be operated and managed through a joint venture entity formed by Ice Rinks Adelaide and the Pelligra Group. The Pelligra Group has considerable experience in sporting facilities with more than 40 sporting properties and businesses in their portfolio across Australia. In March 2021, the Pelligra Group purchased the Titanium Basketball Stadium and announced a \$24 million upgrade to the facility.

The Pelligra Group has developed more than 1,200 prestigious properties across Australia and is increasingly investing into South Australia. Since the purchase of the GM Holden site in Elizabeth the Pelligra Group has purchased other iconic properties in South Australia including Pirie House (89 Pirie Street), Wakefield Hospital (300 Wakefield Street) and 157 Grenfell Street, Adelaide.

Management Team

The management team is a significant strength of this proposal. Operational management will be controlled by managers with a combined ice rink management experience of 70 years in Canada and Australia. Ice rinks are a niche market with a limited number of experienced managers in Australia. The



team assembled to manage the facility are highly experienced and held in high regard within the industry and ice skating community.

The management team experience is not limited to running ice rinks. All members have extensive experience in ice hockey as players and coaches of state and national team standing and figure skating coaching to senior levels. They build and encourage a sense of community that attracts and retains ice sport participants and recreational skaters.

A draft organisational structure is attached at appendix 2.

6.4 Financial Forecast

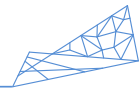
Cashflow analysis for the facility, Table 5, is based on the assumptions identified in Table 2 and accompanying text, incorporating the lower participation forecasts. Expenditure and revenue lines from the master forecast spreadsheet have been aggregated to create a high-level review.

The forecast assumes a reduction in patronage in year 3 which is often experienced in entertainment venues after the initial opening. In contrast, the O'Brien Group Arena experienced year on year growth after opening. Years 4 and 5, allowing for inflation and CPI increases demonstrate a modest increase in revenue.

Employment costs are the greatest expenditure item, a commonality with all entertainment venues, and provide flexibility to financially manage reductions in visitation. Sports program is a discretionary funding commitment to grow all sports.

Table 5. Five-year cashflow forecast

	Description	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	Skating income	\$1,021,020	\$1,051,651	\$ 999,068	\$1,049,021	\$1,101,473
	Corporate and other	\$ 336,080	\$ 346,162	\$ 335,778	\$ 345,851	\$ 363,143
	Birthdays	\$ 811,200	\$ 835,536	\$ 793,759	\$ 833,447	\$ 875,120
	Skate School	\$ 288,000	\$ 302,400	\$ 287,280	\$ 301,644	\$ 316,726
	Ice Time (block)	\$ 355,680	\$ 369,907	\$ 351,412	\$ 365,468	\$ 383,742
	Pro Shop/retail counter	\$ 220,000	\$ 231,000	\$ 224,070	\$ 237,514	\$ 249,390
	Rock Climbing	\$ 834,080	\$ 884,125	\$ 839,919	\$ 890,314	\$ 934,829
	Play café	\$ 290,160	\$ 304,668	\$ 289,435	\$ 303,906	\$ 319,102
	Kiosk	\$ 404,586	\$ 424,815	\$ 403,575	\$ 423,753	\$ 444,941
	Total revenue	\$4,560,806	\$4,750,264	\$4,524,294	\$4,750,919	\$4,988,465
Expenditure	Accounting and other	\$ 271,558	\$ 285,136	\$ 299,392	\$ 314,362	\$ 330,080
	Advertising and promotion	\$ 70,000	\$ 90,000	\$ 94,500	\$ 97,335	\$ 100,255
	Cost of goods	\$ 531,605	\$ 550,211	\$ 522,701	\$ 540,995	\$ 568,045
	Utilities	\$ 534,000	\$ 552,690	\$ 580,325	\$ 600,636	\$ 630,668
	Insurance	\$ 65,000	\$ 67,275	\$ 69,630	\$ 72,067	\$ 75,670
	Arena Lease	\$1,088,000	\$1,117,920	\$1,148,663	\$1,180,251	\$1,239,264
	Security	\$ 60,000	\$ 62,100	\$ 65,205	\$ 67,487	\$ 70,862
	Sports programs	\$ 70,000	\$ 71,750	\$ 73,544	\$ 75,382	\$ 77,267
	Wages	\$1,595,025	\$1,650,851	\$1,568,308	\$1,623,199	\$1,680,011
	Total Expenditure	\$4,285,188	\$4,447,933	\$4,422,267	\$4,571,714	\$4,772,121
	Surplus/Loss	\$ 275,618	\$ 302,332	\$ 102,027	\$ 179,205	\$ 216,344



6.5 Deliverability

The project will be delivered by the Pelligra Group.

The Pelligra Group is one of the largest private development and integrated building companies in Australia. Over the last 60 years the company has developed more than 1,200 properties in Australia and overseas and maintains a diverse multi-million portfolio with 800 long term tenants.

Project footprint includes Victoria, South Australia, New South Wales, the Philippines, and China. Recent commercial acquisitions exceed 2 million square metres. In September 2018 the Pelligra Group purchased the Ford Broadmeadows and Geelong facilities adding another 100 hectares of land and 265,000 m2 of buildings to their portfolio. This is in addition to the purchase of the former Holden site in Elizabeth, South Australia.

The company has considerable experience in master planned sites and complex developments. Projects include commercial precincts, retail, hotels, sporting facilities including gyms, industrial parks, large format bulky goods and shopping mall complexes. Project management experience of senior staff include high end developments such as the Royal Children's Hospital and Etihad Stadium.

The company has also worked closely with governments in private-public partnerships to assist governments in meeting their objectives.

The Pelligra Group has demonstrable capacity to finance large projects. The recent purchase of the former Holden and Ford sites are recent examples. An additional \$500 million is earmarked for investment in the Victorian sites.

Development experience in South Australia

Lionsgate

The former GM Holden vehicle manufacturing facility was acquired by the Pelligra Group in December 2018 following a delayed settlement, figure 5. The site is one of Australia's largest brownfield industrial estates and an important part of South Australia's economic and manufacturing history. During the pre-settlement period Pelligra undertook:

- Remediation undertaken at the site totalling \$20m, EPA clearance in mid-2019
- Re-positioning and rebranding of the estate to "Lionsgate"
- Retained existing GM employees - engineering, facilities management, business managers
- Legacy showcased through on-site museum/heritage display
- 600 jobs committed through various onsite tenants
- A substantial decommissioning process



Figure 5. Lionsgate, former GM Holden site Elizabeth

The site is being transformed to accommodate a diverse mix of uses including:

- Industrial
- Commercial
- Food, beverage and pharmaceutical
- Mixed use
- Future sports and recreation



Figure 6 Master planned redevelopment of the former GM Holden site



The existing gross lease area of comprises 264,000m². GM Holden lease 35 percent of the site and a further 9 tenants, including global and multinational companies, have taken leases. Several new building developments and sports and recreation facilities have been master planned for the site, figure 6.

89 Pirie Street, Adelaide

The former People's Palace/Alliance Head Office was built in 1871 with a French Renaissance style façade, figure 7. The building is situated in a prestigious Adelaide CBD location with three separate frontages.

After acquiring the building the Pelligra Group commenced a multi-million refurbishment of the whole building. The gross lease area is 11,000m², providing 8 levels of high-quality office space. A café/food and beverage offering will be added to the ground level and a new roof top bar is to be constructed on the 9th level. Existing façade glazing is to be replaced with powder coated Viridian glazing.



Figure 7 89 Pirie Street



Experienced with Public Private Partnership with local government

Hunter Werribee – 22 Synnot Street Werribee

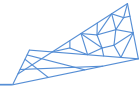
The \$80 million Hunter Werribee project, figure 8, is a “Gateway Development” comprising a 12-level landmark mixed-used building. The property is located on a 2,586 sqm parcel of land on the corner of the busy intersection of Synnot Street and Station Place. The site marks a key entry point to the Werribee City Centre.



Figure 8 Hunter Wirrebee project

The building comprises:

- 150 hotel rooms, conference room, gym, and café facilities with dedicated lobby
- 3,000 sqm council office and 90 carparks
- 825 sqm office
- 1102 sqm education centre
- Ground floor retail and café
- 105 private carparks
- 167 public carparks purchased by Wyndham City Council



Experienced with master planning and reactivating sites

Brookland Interchange Laverton North

Master planned site featuring 56 strata warehouses, 8 retail outlets, 6 large warehouses, 6 showroom warehouses and three levels of office accommodation over 34,892 sqm.



Figure 9 Brookland Interchange Laverton North

Assembly Broadmeadows, Campbellfield, VIC

Previously Ford Australia's manufacturing headquarters facility over the past 50 years. 60 hectares of industrial-zoned infill land and 151,000 m2 of existing improvements was acquired for A\$102.1 m (plus costs).

Significant value will be added via a staged master development plan, figure 10, consisting of:

- At settlement complete refurbishment and let-up of the 2 existing warehouses and hardstand areas,
- Brownfield development of a food manufacturing, trade supply hub including service station and fast foods, and
- Brownfield development of new purpose-built logistics facilities.



Figure 10 Broadmeadows development master plan

The Broadmeadows site is one of the most significant industrial assets in Northern Melbourne. Despite the initial offering by Ford to sell 40ha the Pelligra Group negotiated the purchase of 60.3ha after winning the tender. Ford is retaining approximately 20 ha as one of their three global research and development centres, including high end car production and modification for the local market.



6.6 Proposed Construction Timeline

Indicative schedule:

Date	Milestone
2021	
October	Council decision on proposal
November	Draft concept
December	Present draft concept and proposal to State Government
2022	
February	State Government funding secured
April	70 % documentation of architectural plans
August	Commence Construction
2023	
October	Construction complete Open to public

6.7 State Government Support

State Government grant was a critical component for the O'Brien Group Arena

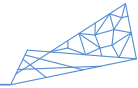
Sporting infrastructure is typically provided by State and Local Governments to encourage participation in sporting and recreational activity. Governments recognise the medium to long term benefits that stem from increased physical activity levels, the positive social impacts of sport and the opportunities that organised sport provides for athletes competing at higher levels. Facilities also play an important role in raising community pride, especially when they are recognised as world class facilities.

The capital costs of ice rinks are prohibitively high and unlike similar facilities in North America, Europe and Asia typically do not attract the same levels of government funding due to the low profile of ice sports in Australia compared to overseas.

Public private partnerships or government grants to assist with capital costs are important funding options that are necessary to encourage the development of new ice sports facilities. The Victorian Government grant of \$10 million for the privately owned O'Brien Group Arena was the critical factor that enabled the project to proceed. Similarly, the ACT Government grant will allow for the development of the new facility in Tuggeranong.

The Marion Arena will require financial assistance from the State Government consistent with any expenditure on sporting infrastructure. The Consortium has engaged with the State Government at both Departmental and Ministerial levels. There is significant support for the development of ice sports facilities and recognition that the facilities are required urgently.

If the City of Marion approves this proposal a formal request for financial assistance will be made to the State Government.



6.8 Local Government Support

The following requirements are required of the City of Marion to support the development.

Peppercorn Lease of Sturt Road Land

A 42-year lease with a peppercorn rate of \$1 per annum.

Put Option

At the expiration of the abovementioned lease a put option agreement requiring the City of Marion to purchase the building from the Consortium for an amount agreed to both parties in the put option agreement.

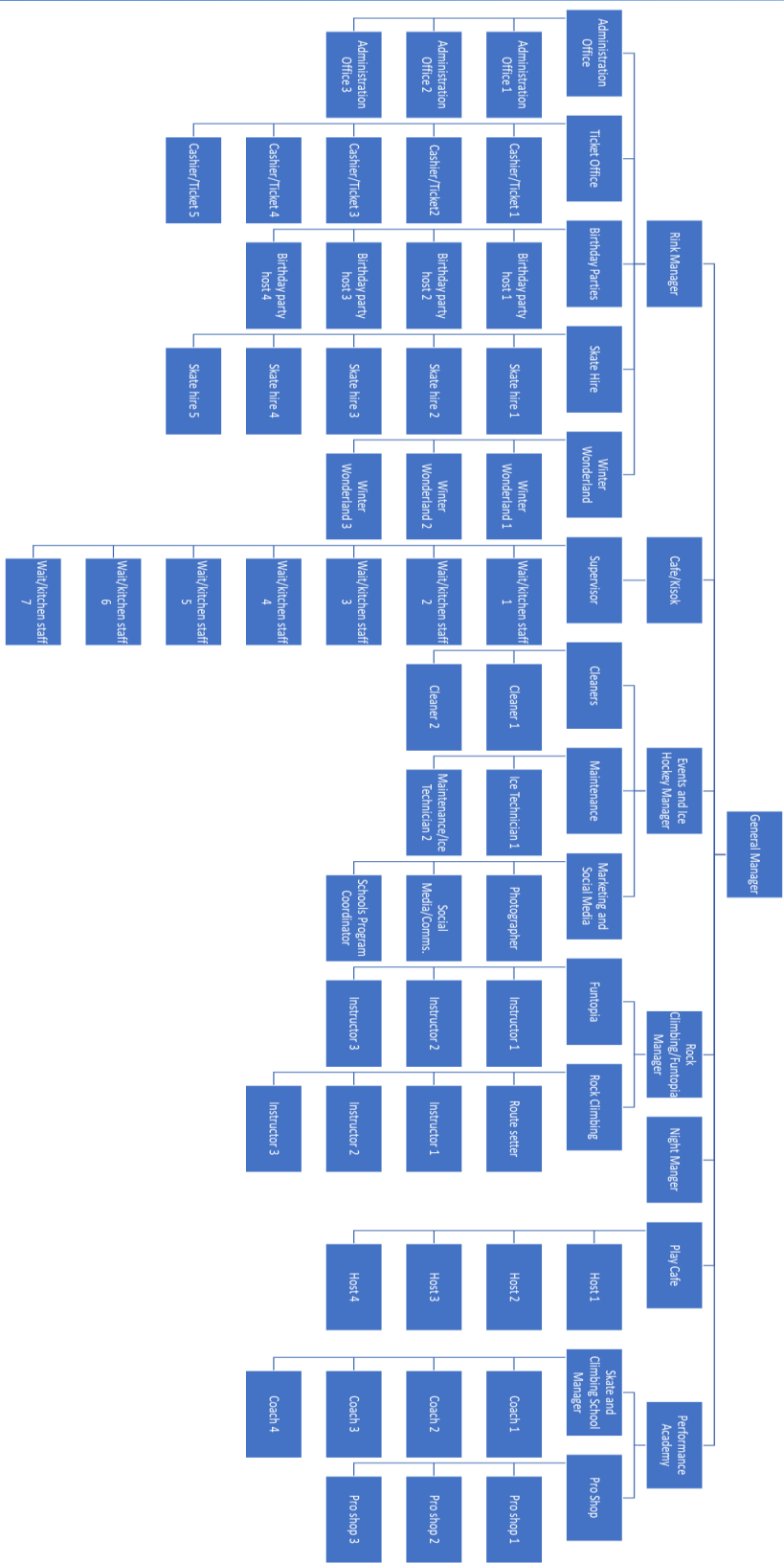
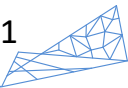
In the event a second 42-year lease is offered at the expiration of the first 42-year lease the put option agreement becomes null and void.

Rate Discount

A discount of 90 percent on all applicable Council rates and taxes. The equivalent discount value will be invested into junior ice sports and rock climbing development programs for residents in the City of Marion local government area.

Organisation Chart

Appendix 1





Adelaide
Level 10, 60 Waymouth Street
Adelaide SA 5000

GPO Box 1646
Adelaide SA 5001

T 08 8414 7800
F 08 8231 1143

adelaide@adl.mcgees.com.au
adl.mcgees.com.au

20 October 2021

Mr Michael Collins
Unit Manager Land and Property
City of Marion
PO Box 21
OAKLANDS PARK SA 5046

Dear Michael,

266 STURT ROAD, MARION AND 2A JASMINE AVENUE, MARION

We refer to your request to identify the ownership of the abovementioned properties and to ascertain whether the registered proprietors would consider selling. We provide the following summary in relation to this request.

266 Sturt Road, Marion

Certificate of Title: Volume 5524 Folio 204

Owner: Damien Paynter

Contact Number: 0403 026 761

Website: <https://www.ipsych.com.au/>

Property Details: Former residential character dwelling currently utilised as medical/consulting –
iPsych Clinical Psychology and Psychotherapy

Site Area: 460 square metres approximately.

Dialogue with owner: Yee Ng of McGees Property contacted the medical practice, spoke with the receptionist of the medical practice and left a message for the owner, Damien Paynter, asking him to call back.

Two follow-up calls were made to the practice over a one-week period as the owner had not responded.

On the 19th October 2021, Damien Paynter sent a text to Yee confirming he had received Yee's message but is not looking to sell.

McGees (SA) Pty Ltd
ABN 98 504 916 044

Page 2

**2A Jasmine Avenue, Marion**

Certificate of Title: Volume 5429 Folio 334

Owner: Patrick (Paddy) Reid and Mary Reid

Contact Number: 0412 085 964

Property Details: Detached residential dwelling

Site Area: 370 square metres approximately.

Dialogue with owner: Yee Ng searched the register proprietor's name on white pages and found a landline number.

Contacted the landline number. A man named Patrick answered the phone and advised that he is a tenant not an owner.

Yee proceeded to try and find the contact number for the register proprietor.

The contact number of a witness, Susan, was located on a transfer document when the registered proprietor purchased the property.

Yee contacted the witness via telephone. Susan said that she would pass on the message to Marry Reid.

Mary contacted Yee and said that they are not interested in selling their property.

In conclusion, neither owner has shown a willingness or interest in selling. If Council were keen to further their discussion, we feel an actual generous offer amount needs to be discussed with the owners to genuinely establish if they are interested or not.

Thank you for the opportunity to act on behalf of the Council. Please do not hesitate to contact us if you require any further information in relation to this matter and we look forward to assisting you again in the future.

Yours sincerely
McGees Property

A handwritten signature in blue ink, appearing to read "Simon Lambert".

SIMON LAMBERT
MANAGING DIRECTOR

M 0408 846 999
T 8414 7812
E slambert@adl.mcgees.com.au

A handwritten signature in blue ink, appearing to read "Yee Ng".

YEE NG
SALES & LEASING CONSULTANT

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E yng@adl.mcgees.com.au