

# CHURCH POINT PLAN OF MANAGEMENT

## BUSINESS CASE/RISK PROFILE MODEL

### CONTENTS

<b>1.0</b>	<b>BACKGROUND</b>	<b>2</b>
<b>2.0</b>	<b>ISSUES</b>	<b>3</b>
2.1	Key Stakeholders and their primary needs/requirements for Church Point	3
2.2	Net Community Benefit - A Balanced outcome	4
2.3	Draft Concept Masterplans for Church Point	4
<b>3.0</b>	<b>TRIPLE BOTTOM LINE CONSIDERATIONS INCLUDE:</b>	<b>5</b>
3.1	Environmental considerations	5
3.2	Social Considerations	6
3.3	Economic considerations	6
<b>4.0</b>	<b>OVERALL RISK PROFILE</b>	<b>12</b>
4.1	Financial Risks	12
4.2	Statutory Processes	14
4.3	Public Safety Concerns	14
4.4	Environmental Risks	14
4.5	Social Risks/Amenity	14
4.6	Climate Change and Sea Level Rise	14
4.7	Credibility	14
<b>5.0</b>	<b>PRIORITY SETTING AND TIMEFRAMES</b>	<b>15</b>

## 1.0 BACKGROUND

Within the southern part of the Pittwater waterway there are 711 'offshore' properties distributed around Scotland Island, Elvina Bay, Lovett Bay and Morning Bay. The associated population is approx 1,860 people (3.5% of the Pittwater population).

- Legal vs Social Issue of carparking
- Issue with Crown – private use of Crown land
- 

From an offshore resident perspective there is a fundamental regular need to cross the Pittwater waterway in some form of public or private vessel and to link with mainland public or private transport. Whilst some offshore residents use other smaller nodes or have private arrangements, the majority of these residents use Church Point as their primary commuter node. Effective and efficient transport interchange facilities are therefore vital to their daily needs

From a mainland resident perspective there is the concern that the open space at Church Point and their residential streets are consumed by carparking associated with offshore needs to the detriment of onshore safety and amenity.

At Church Point there are currently the following groupings of facilities that are defined by Precincts:

- **Precinct One** - incorporating McCarrs Creek Road from west of the Mini-mart to Ross Trevor Reserve where there is the Commuter dinghy tie-up facility; the Cargo Wharf and carparking. Within this precinct is also the private marina facility
- **Precinct Two** - Thomas Stevens Reserve and associated public wharves
- **Precinct Three** - Church Point Reserve and the historic Cemetery site

Car parking at Church Point is currently available as follows:

- on Church Point Reserve - there are approx 300 spaces - this fluctuates as the carpark is not sealed and not line-marked and hence relies upon close 'stacking' to maximise numbers
- in front of Thomas Stevens Reserve - there are 13 short stay spaces
- at the commuter wharf there are 8 drop off spaces
- on McCarrs Creek Road from Ross Trevor Reserve west, there are 23 spaces
- along adjoining residential streets - spaces not quantified.

There is also a commuter wharf that has approx 140 dinghies that tie up in multiple configurations

## 2.0 ISSUES

The primary issues associated with Church Point can be summarised as follows:

- Church Point is the main commuter node for offshore residents and as such is vitally important for their daily commuter needs to get to and from home.
- Daily carparking demands generally exceed available spaces and car spaces 'have been lost' over the years to address safety and parking standards requirements, the contra view is that open space has been lost and 'taken over' by carparking.
- Department of Lands requirement that Crown Land be available for general uses not primarily for long term private carparking needs - hence an edict that there will be a user charge for all (residents will no longer be exempt from fees).
- There is insufficient dinghy tie-up capacity resulting in multiple stacked tie-ups.
- There is a need to improve road alignment and calm traffic at this high pedestrian use node.
- There is a need to encourage sustainable use of car, public transport and other modes.
- There is a need to improve foreshore access and improve safety for pedestrians.
- The existing pontoon wharf needs to be repositioned.
- The existing 'heritage' wharf is in need of a major and costly repair/replacement.
- The general existing facilities are in need of significant upgrade to improve safety, amenity, capacity and environmental qualities.
- Historically Scotland Island was a holiday destination and has now changed to full time residents who commute daily.

### 2.1 Key Stakeholders and their primary needs/requirements for Church Point

- Offshore residents who are seeking to have convenient carparking in close proximity to dinghy tie up facilities on the mainland.
- Onshore residents who are seeking to have improved open space and less congestion in street parking.
- The Pasadena and Mini-market are seeking a reasonable presence and access, including general carparking.
- Council is seeking to find/mediate a suitable solution for all parties.
- Visitors who are seeking to have the opportunity to park at Church Point and enjoy the locality.
- Ferry and water taxi services who seek to have reasonably accessible vessel access.

- NSW Maritime who seek to provide improvements that increase the amenity and safety for foreshore and waterway recreation.
- Department of Transport who seek to have an efficient and effective transport commuter node.
- DECC
- STA

## 2.2 Net Community Benefit - A Balanced outcome

Achieving a reasonable balance between often competing demands has been a major driver in preparing a PoM and Masterplan for Church Point. To facilitate this process a Working Party was established to consider a range of issues and to develop concept plans. The Working Party comprised representatives from:

- Resident Associations
  - Bayview Church Point
  - Scotland Island
  - Western Foreshores
  - Church Point Reserve
- Department of Lands
- Council

## 2.3 Draft Concept Masterplans for Church Point

Through this process initial concept plans were distilled down to the following two concepts:

- The Church Point Residents' Association (CPRA) Masterplan
- The Council supported and 'advertised' Masterplan (as supported by SIRA/Western foreshore community associations).

These two Plans are fundamentally the same for Precincts Two and Three. The major differences are associated with Precinct One, in particular the treatment of the foreshore, the number of carparking spaces achieved and the configuration of the dinghy tie-up facility. These differences are discussed as follows:

- The CPRA MP proposes a 'flatter' but longer foreshore infill with scope for 40 separated car spaces at grade against the cliff line operating from one side only of an access aisle.

The cost to establish this 40 space carpark is estimated at \$2.75M which equates to approximately \$69,000 per car space. The dinghy tie-up is configured parallel to the foreshore.

- The advertised Masterplan has a 'curved' foreshore which provides scope for up to 67 car spaces at grade predominantly in a separated carpark cell operating from both sides of an access aisle. There is scope to increase the

carpark number to approximately 120 with the addition of a suspended deck. The dinghy tie-up is configured perpendicular to the foreshore.

The cost to establish a 67 space carpark (without the suspended construction) is \$3.7M which equates to \$55,223 per space.

The cost to establish the 120 space carpark (which incorporates the suspended construction) is estimated at \$5.2M which equates to \$43,333 per space.

- Both concepts require a similar length of new seawall construction and similar area of reclamation. Based on QS analysis, the cost of each carpark and associated infill/seawall is \$2.75M and \$3.7M respectively. The number of car spaces achieved however is far superior with the advertised option which as a result significantly brings down the average cost per space to construct. Furthermore, with the suspended deck and its dedicated spaces option (see 3.3 Economic Consideration below) this considerably brings down the annual ticket fee for a general car space use, from \$515 (CPI Indexed Fee) without deck to \$240 (CPI Indexed Fee) with deck option.

It is noted that a 'do nothing' option would still eventually require construction of a new seawall to provide for improved pedestrian use and replace missing road support and as such the choice of an alignment that also provides scope to maximise carparking opportunities is seen as a more practical and effective solution.

Through further scrutiny and refinement and in principle support by way of resolution from Council, the draft PoM and preferred Masterplan were advertised as part of the broader community engagement process.

### **3.0 TRIPLE BOTTOM LINE CONSIDERATIONS INCLUDE:**

#### **3.1 Environmental considerations**

The southern foreshores of Pittwater and in particular the Church Point locality are important from an environmental context. Any works need to be compatible with this environmental setting. It is noted that prior to the foreshore works to establish the Bayview to Church Point scenic walkway the road edge was badly failed and there was no suitable provision for pedestrians and cyclists. A new seawall alignment was chosen to accommodate these community needs in this sensitive environmental setting. This involved the construction of a new seawall with associated reclamation.

As mentioned above the section of McCarrs Creek roadway/foreshore west of the Mini Market is in need of similar upgrade. However a more open revetment will be used for this seawall construction with a boardwalk on the water side. The NSW Department of Primary Industries (Fisheries) has provided written advice to Council that it has no objection to the draft Church Point PoM subject to certain provisos.

### **3.2 Social Considerations**

Church Point has been an important land / water transport and goods interchange node and social hub since early European settlement. This important role continues today primarily as a commuter, goods handling and recreation/transport node.

- Scotland Island was subdivided into residential lots in the 1920s and as such is one of the earliest small lot subdivisions in the local government area.
- Those living offshore are heavily reliant upon the facilities at Church Point, in particular the carparking, the dinghy tie-ups, the wharf interchange and the reserve. Basically the offshore community wants to be able to park their car in reasonable proximity to their dinghy or the ferry to be able to get to and from home. Given that many properties are now permanently occupied (rather than weekenders or holiday), this is a daily need. The carpark basically assists offshore resident carparking needs over night and at weekends and tends to free up for day time recreational needs during week days. Its use therefore ebbs and flows over these cycles. Based upon a previous survey of offshore residents conducted by SIRA, there was 'expression of interest' support for a dedicated space option on the basis of funding upfront the total cost per space and then obtaining the benefit of a specified tenure
- Those living on the mainland at Church Point have lobbied for a better balance of recreational spaces and carparking, basically wanting less carparking on the main reserve.
- Further to residential concerns, individuals visiting Church Point by car desire a place to park and take in what Church Point and the waterways have to offer, including the foreshore walkway to Bayview.
- Accordingly, striking a reasonable balance between these competing needs/desires has been the challenge in working up the draft Masterplan

### **3.3 Economic considerations**

**PRECINCT 1 - COMMUTER PRECINCT**  
(Including Construction and Funding of a 60 Space Suspended Carpark)

**Scope of Works - Expenditure**

<b>Rostrevor Reserve (inc Cargo Wharf surrounds)</b>			
Landscape Works - Hardworks / Beach Access / Softworks	a	\$	384,000
Design Development (10% of Contract Works)	a	\$	38,400
<b>Sub - Total</b>		<b>\$</b>	<b>422,400</b>
<b>Western Carpark / McCarrs Creek Roadway Reserve Re-Route / Seawall Realignment</b>			
Preliminaries / Site Prep / Seawall & boardwalk / Road Re-route, Carpark, Siteworks / Outbuildings / Landscaping @ 55%	b	\$	1,852,950
Design Development (10% of Contract Works)	c	\$	185,295
<b>Sub - Total</b>		<b>\$</b>	<b>2,038,245</b>
<b>Suspended Carpark</b>			
Works for Seawall & boardwalk / Road Re-route, Carpark, Siteworks / Outbuildings / Landscaping @ 45%	f	\$	1,516,050
Design Development (10% of Contract Works)	g	\$	151,605
Suspended Carpark Works		\$	1,500,000
<b>Sub - Total</b>		<b>\$</b>	<b>3,167,655</b>
<b>Commuter 'dinghy' Wharf</b>			
Preliminaries / Site Prep / Floating pontoons / Fixtures & Fittings	d	\$	1,374,000
Design Development (10% of Contract Works)	e	\$	137,400
		\$	-
<b>Sub - Total</b>		<b>\$</b>	<b>1,511,400</b>
<b>TOTAL EXPENDITURE</b>		<b>\$</b>	<b>7,139,700</b>

The financing associated with the construction of these works is as follows:

**Scope of Funding - Income**

Council Funding from CIP - Rostrevor Reserve	partial funding for a	\$	422,400
Council Funding from CIP - Commuter 'dinghy' Wharf	partial funding for d, e	\$	300,000
Council Funding from CIP - Environmental levy for Seawall	partial funding for b, c	\$	500,000
Council Funding from General Fund at 10% of Western Carpark / McCarrs Creek Road	partial funding for b, c	\$	203,825
Borrowings - Precinct 1 Western Carpark / McCarrs Creek Roadway Re-Route / Seawall - 455 permits (incl. 50 buffer)	partial funding for b, c	\$	1,334,421
Borrowings - Precinct 1 Suspended Carpark and Partial Costs for Roadworks etc- 60 Spaces	funding for f, g	\$	3,167,655
Borrowings - Precinct 1 Commuter 'dinghy' Wharf - 140 Spaces	partial funding for d, e	\$	1,211,400
<b>TOTAL INCOME</b>		<b>\$</b>	<b>7,139,700</b>

Or alternatively, the estimated QS costs associated with Precinct 1 (excluding the Suspended Carpark) are as follows:

**PRECINCT 1 - COMMUTER PRECINCT**  
(Excluding Construction and Funding of a 60 Space Suspended Carpark)

**Scope of Works - Expenditure**

<b>Rostrevor Reserve (inc Cargo Wharf surrounds)</b>			
Landscape Works - hardworks / beach access / softworks	a	\$	384,000
Design Development (10% of Contract Works)		\$	38,400
<b>Sub - Total</b>		<b>\$</b>	<b>422,400</b>
<b>Western Carpark / McCarrs Creek Roadway Reserve Re-Route / Seawall Realignment</b>			
Preliminaries / Site Prep / Seawall & boardwalk / Road re-route, carpark, siteworks / Outbuildings / Landscaping @ 100%	b	\$	3,369,000
Design Development (10% of Contract Works)	c	\$	336,900
<b>Sub - Total</b>		<b>\$</b>	<b>3,705,900</b>
<b>Suspended Carpark</b>			
n/a	f	\$	-
n/a	g	\$	-
		\$	-
<b>Sub - Total</b>		<b>\$</b>	<b>-</b>
<b>Commuter 'dinghy' Wharf</b>			
Preliminaries / Site Prep / Floating pontoons / Fixtures & Fittings	d	\$	1,374,000
Design Development (10% of Contract Works)	e	\$	137,400
		\$	-
<b>Sub - Total</b>		<b>\$</b>	<b>1,511,400</b>
<b>TOTAL EXPENDITURE</b>		<b>\$</b>	<b>5,639,700</b>

The financing associated with the construction of these works is as follows:

**Scope of Funding - Income**

Council Funding from CIP - Rostrevor Reserve	funding for a	\$ 422,400
Council Funding from CIP - Dinghy Commuter Wharf	partial funding for d, e	\$ 300,000
Council Funding from CIP - Environmental levy for Seawall	partial funding for b, c	\$ 500,000
Council Funding from General Fund at 10% of Western Carpark / McCarrs Creek Road / Seawall	partial funding for b, c	\$ 370,590
Borrowings - Precinct 1 Western Carpark / McCarrs Creek Roadway Re-Route / Seawall - 455 permits (incl. 50 buffer)	partial funding for b, c	\$ 2,835,310
	\$	-
Borrowings - Precinct 1 Commuter 'dinghy' Wharf - 140 Spaces	partial funding for d, e	\$ 1,211,400
<b>TOTAL INCOME</b>		<b>\$ 5,639,700</b>

As indicated in both the proposals above the financing combinations for Precinct One is as follows:

- Loan borrowings for works associated with providing the carpark and reinstating the roadway (including seawall and reclamation)
- Loan borrowings for works associated with the commuter dinghy tie-up wharf upgrade
- EI-Levy funding
- Grants (if successful) including Lands Department and DECC
- RTA funding
- General Council funds

The loan funding for carparking and the dinghy commuter wharf are proposed to be repaid by a user pays system and whereby the offshore residents are charged over a 20 year period, as follows:

- Scenario A (Escalation by estimated CPI of 2.9%) **without** suspended deck option:
  - annual carpark fee for ticket parking without deck option = \$515 (Year 1)
  - annual dinghy tie-up fee = \$710 (Year 1)
  - Total general combined annual ticket fee for Scenario A = \$1,225
- Scenario B (Escalation by estimated CPI of 2.9%) **with** suspended deck option:
  - annual carpark fee for ticket parking with deck option = \$240 (Year 1)
  - annual dinghy tie-up fee = \$710 (Year 1)
  - Total general combined annual ticket fee for Scenario B = \$950
- Annual fee for dedicated car space based on prevailing Market Rates:

Market Rate (Escalation by Estimated CPI of 2.9%)

=\$TBA (Year 1)

Note: As demonstrated above there is considerable savings in terms of the annual “user pays” parking ticket when Scenario B is undertaken. This scenario incorporates the construction of the suspended deck carpark and as a result of defraying some of the road work, seawall etc costs into the construction phase of the suspended carpark the ticket price for general car parking is considerably lowered. As indicated above, the ticket cost drops from \$515 (Year 1) to \$240 (Year 1) a year, when the construction of the suspended carpark is included. Such a large decrease in cost demonstrates that the suspended carpark potentially could be a worthy inclusion in the Precinct One construction both to lower general ticket prices and to provide additional car parking for offshore residents.

In addition, it should be noted that assets require depreciation, maintenance and ongoing servicing costs over the life of the asset. Accordingly, in addition to the initial capital costs of the Church Point Re-development there must be scope to revisit user charges as a mechanism to service such recurrent maintenance costs. Other ticket fees, user income and compliance with help to defray ongoing maintenance and servicing costs.

### **Precinct Two**

Precinct two contains the main commuter hub of the Re-development.

The proposal is to carry out the following improvements:

- Upgrade roads, footpaths & paved areas.
- Reposition the pontoon wharf, rebuild the fixed wharf & provide connecting boardwalks/decks.
- Rationalise and upgrade wharf buildings.
- Landscape improvements to Thomas Stevens Reserve.
- Provide a kiosk facility.

The estimated QS costs associated with Precinct Two are as follows:

**Scope of Works - Expenditure**

<b>Deck Boardwalk and Wharf Construction</b>		
Construction of deck, pontoons and boardwalk	\$	1,549,000
Wharf Buildings	\$	70,000
Design Development (10% of Contract Works)	\$	161,900
<b>Sub - Total</b>	<b>\$</b>	<b>1,780,900</b>

<b>Thomas Stephens Reserve &amp; surrounds</b>		
Preliminaries / Roadway Imps / Parking area / Hardwaorks / Landscaping	\$	610,000
Design Development (10% of Contract Works)	\$	61,000
<b>Sub - Total</b>	<b>\$</b>	<b>671,000</b>

<b>TOTAL EXPENDITURE</b>	<b>\$</b>	<b>2,451,900</b>
--------------------------	-----------	------------------

The financing associated with the construction of these works is as follows:

**Scope of Funding - Income**

Council Funding from CIP	\$	1,111,900
Funding From The Rezoning and Sale of Council Land at Church Point	\$	200,000
Pasadena Easement Funds	Subject to Confirmation \$	150,000
Grant Funds - NSW Maritime (\$ for \$)	Subject to Confirmation \$	350,000
Grant Funds - NSW Department of Transport (\$ for \$)	Subject to Confirmation \$	350,000
Department of Lands - Contribution General Store Lease	Subject to Confirmation \$	100,000
Council Funding from CIP (for Upgrade of Thomas Stevens Reserve)	\$	190,000

<b>TOTAL INCOME</b>	<b>\$</b>	<b>2,451,900</b>
---------------------	-----------	------------------

As indicated above the financing combination for Precinct 2 is as follows:

- Grants
- EI-Levy
- Council General fund
- Associated user fees/licences
- Kiosk rental
- Wharf user charges

Note: As these works are of a general and broader community benefit they are proposed to be funded via Council funds, grants and kiosk rental etc rather than based on a debt/user pay system from the offshore residents.

**Precinct Three**

Precinct Three primarily contains the Church Point Reserve which is zoned for Recreation and Urban Services (carparking).

To date, resident parking on this reserve has been at no cost to residents displaying a Pittwater carparking sticker.

The Department of Lands has signalled that resident parking, particularly long term parking, will no longer be exempt from parking fees. This Reserve is to be available for the use of all residents of NSW and visitors. Parking fees will be

administered through parking machines or by way of an annual ticket parking scheme to be introduced.

The proposal is to improve the environmental and social amenity of Church Point Reserve by:

- Rebuilding the adhoc seawall on a similar alignment. This will better protect the foreshore from erosion and provide some additional reserve width to add to foreshore amenity and provide an extension of the foreshore walkway.
- Reconstructing and sealing the existing carpark and providing line-marking to better delineate available car spaces.
- Landscape improvements
- The introduction of 20 short stay spaces for general use (converts to overnight stay for outside of designated times).

The estimated QS costs associated with Precinct Three are as follows:

**Scope of Works - Expenditure**

<b>Church Point Reserve - Carpark / Foreshore / Bennetts Point Parkland</b>	
Carpark Sealing	\$ 300,000
Seawall/Promanade	\$ 300,000
Upgrade / Conversion Amenities Building	\$ 200,000
Lighting	\$ 125,000
<b>Sub - Total</b>	<b>\$ 925,000</b>
<hr/>	
<b>TOTAL EXPENDITURE</b>	<b>\$ 925,000</b>

The financing associated with the construction of these works is as follows:

**Scope of Funding - Income**

<b>Net Proceeds form Rezoning and Sale of Council Land</b>	
- Land Sale (2 Allotments at net approx value \$700,000)	\$ 1,400,000
less	
- Design Development - Architect	-\$ 15,000
- Design Development - Natural Reserves	-\$ 5,000
- Design Development - DoP Submission Natural Reserves	-\$ 5,000
- Design Development - Survey	-\$ 5,000
- Design Development - Bushfire	-\$ 5,000
- Design Development - Drainage Infrastructure	-\$ 10,000
- Design Development - Rezoning Application Fees	-\$ 10,000
- Design Development - Legal Costs	-\$ 10,000
- Design Development - Miscellaneous	-\$ 10,000
- Precinct 2 Commercial Transpost Hub Funding	-\$ 100,000
- Works Proposal - Upgrade of Pedestrian Accessway from Pittwater Rd to Quarter session Rd	-\$ 50,000
- Works Proposal - Heritage Assessment/upgrade of Church Point Cemetery	-\$ 100,000
- Works Proposal - Upgrade Public Roadway (seal and drain) Upper McCarrs Creek Rd	-\$ 150,000
<b>Total Net Proceeds for Rezoning and Sale of Council Land</b>	<b>\$ 925,000</b>
<hr/>	
<b>TOTAL INCOME</b>	<b>\$ 925,000</b>

As indicated above, the works in Precinct Three are proposed to be funded from the proceeds of the sale of the 2 x current residential lots at Church Point on an asset for asset conversion basis.

In conjunction to the land sales, there may also be some scope to attract grant funding assistance (usually dollar for dollar) for Precinct Three works. On this basis it would be anticipated that the sale of lots can provide seed funding and necessary leverage for grants.

In addition, if the subject land can be sold and a partnership can be established with the Uniting Church, it is proposed to carry out some upgrade works to the adjoining Church Point Cemetery site (continue to be owned by the Uniting Church) utilising some of the sale proceeds and establish a maintenance arrangement for ongoing public access to that site

If the subject land is not sold then the proposed works will not proceed, subject to another source of funds being found. This is due to the fact that there are also many other competing demands for financing of other projects/programs outside of Church Point, possibly of a higher priority. Accordingly, the Church Point PoM /Masterplan have to be supported by a stand alone sustainable funding package.

#### 4.0 OVERALL RISK PROFILE

The risks associated with this project can be broadly categorised into the following:

- Financial risks
- Statutory processes
- Public safety concerns
- Environmental risks
- Social
- Climate change and sea level rise
- Credibility

#### 4.1 Financial Risks

In terms of Council and its financial operations the Church Point Master Plan is one of the largest financial endeavours that Pittwater Council has undertaken and at an estimated cost between \$9 and \$10.5 million (depending on the configuration) it offers considerable financial risk to Council as the “underwriter” of the project.

The primary financial risks are associated with the following:

- The inherent risk that there will be insufficient and /or sustained participation from offshore residents to cover the cost of loan(s) repayments (currently geared in the financial modeling to be paid back over a 20 year period) which need to be sourced to fund the upfront cost of the capital works. Borrowings between \$4 and \$5.7 million (depending on the configuration) need to be serviced at an annual expense between \$443,000 and \$625,000 (depending on the configuration). If take up rates of the user pays system fails to deliver adequate funding to service such loan Pittwater Council will be liable to cover such payments. **Such risk is high and must be acknowledge in any Master Plan development.**
- The risk associated with outlined land sales whereby the subject land’s reclassification, rezoning and sale does not proceed and or reach the anticipated sale price. This will leave a significant funding shortfall for works associated within Precinct Three.

- The risks that grant funding are not sufficient to supplement other funding sources.
- The 'do nothing' option whilst having the least financial exposure does not suitably address the issues associated with safety and amenity and there is no increase in carpark provision or improved general amenity.

The primary financial risks associated with **Precinct One** are as follows:

- The user pays charges need to cover the cost of loan borrowings – there may be a reduced take-up/avoidance under this new arrangement.
- The relative cost per 'new car space' is relatively high noting the added costs to reclaim and provide seawall support and realign the road.
- The suspended deck requires a firm, longer term commitment from users to continue to pay for a dedicated car space.
- Associated grant funding may not be provided by funding Agencies.
- Costs may exceed contingency sums noting the construction environment; being under traffic; in the water and involving service utilities.
- Loan servicing costs may escalate when interest rates rise.
- There may be a challenge to fee increases when indexed to actual costs.
- There may a rise a situation where Council needs to further subsidise costs.
- The RTA may not provide funding, noting that the road has been reclassified to a Regional Road status.

The primary financial risks associated with **Precinct Two** are as follows:

- Lack of funding to replace/repair heritage wharf.
- Lack of funding to construct boardwalk that in turn provides safer pedestrian access.
- Lack of acceptance/take up of kiosk opportunity which inturn would see reduce income to help pay for recurrent expenditure.

The primary risks associated with **Precinct Three** are as follows:

- Land sales do not proceed and hence seawall, carpark and reserve are not upgraded.
- Land sales do not proceed and hence proposed upgrade to Church Point Cemetery does not proceed.
- Upgrade to Church Point Reserve is seen as a fundamental 'start point' and preliminary justification for the introduction of the user pays, annual 'ticket' system.

In terms of risk de-fragmentation, it is suggested that each Precinct and or Stage of a Precinct be considered in isolation in terms of works, funding and associated risk before that project is endorsed by Council and work commenced. Certainty concerning user pays take-up rates, grant funding, Council funding and expenditure costs need to be realised before a final commitment to each Precinct development is given. Such certainty is required in order to ascertain whether the project is within the estimated costs parameters and can be adequately funded so that Council's financial risk is minimised.

#### **4.2 Statutory Processes**

There are a number of statutory processes to be worked through including EIS/DA and reclassification/rezoning/public hearing to achieve Operational Land status and land sales.

#### **4.3 Public Safety Concerns**

- The existing dinghy storage facility is overcrowded leading to 'multiple depth' tie-ups.
- The pedestrian 'pinch point' needs to be improved.

#### **4.4 Environmental Risks**

- There are environmental risks associated with the current infrastructure that can be improved with the new works.
- There will be environmental risks during construction – there will be ameliorated using appropriate control measures. Affected marine plants will be compensated as per Fisheries requirements.
- It should be noted that Pittwater Council successfully constructed the seawall from Bayview to Church Point and recently completed an environmental seawall at Rowland Reserve.
- Post construction there will be an improved environment by virtue of the reduced potential sources of pollution/containment, improved habitat through environmentally friendly seawall construction, habitat around wharf/pontoon structures.

#### **4.5 Social Risks/Amenity**

- The existing situation is less than desirable from a modern society setting.
- The proposed improvements address a number of safety and amenity concerns and aim to provide a reasonable balance between competing stakeholder demands.

#### **4.6 Climate Change and Sea Level Rise**

This project, being located on the foreshores of Pittwater, will need to consider the impacts of climate change and in particular, sea level rise.

This may influence the design of structures if they are impacted by sea level rise predictions.

#### **4.7 Credibility**

The adoption of a Plan of Management that proposes expenditure on major capital works in the tens of millions with income from various but as yet unconfirmed sources, has inherent risks associated with ability to deliver in a cost effective, timely and sustainable manner.

There is an inherent build up of expectation within the community and an associated credibility for the organisation to consider should things not go to plan.

All risks therefore need to be well understood upfront and effective contingency plans in place to address changes – these include reduction in works items, staging of the scope and timing of outcomes.

## **5.0 PRIORITY SETTING AND TIMEFRAMES**

The following priorities are seen as needing be addressed:

1. To comply with Department of Lands' requirements, resident stickers will no longer be valid and an annual ticket system user fee will need to be introduced for longer term carpark use of the Church Point Reserve. This, in addition to the current machine ticket scheme, will also need to apply to adjoining nominated locations so that there is an equitable distribution of user pays. This will help to establish carpark demand and provide some up front seed funding for the proposed improvements.
2. The current dinghy facility is adhoc and self regulated and as such introduces safety and amenity concerns - the proposal is to improve this facility by incorporating a modified configuration with additional tie-up spaces, all on a user pays cost recovery basis. As an interim measure this can be progressed by way of an extended gantry connection until the full foreshore and land based reclamation works associated with Precinct One are completed. Fisheries has provided in principle approval for these works. NSW Maritime will be approached for financial assistance under their grant assistance program(s).
3. The statutory process to Reclassify and Rezone the subject Community Land at Church Point needs to be commenced to ascertain the viability and acceptance of this asset for asset conversion as a funding source for works associated with Precinct Three. It should be noted that this requires initial Ministerial approval followed by an LEP amending process involving a Public hearing to consider reclassification and rezoning of the land. Included is a community engagement process.
4. Reconstruction of the seawall along the McCarrs Creek Rd frontage is required in any event to support the existing road edge and to facilitate safer pedestrian access - this should be reconstructed at the optimum agreed alignment given the cost involved to construct/reconstruct.