

## ITEM NUMBER: 18.3

### CONFIDENTIAL REPORT

### HOARDING FEE RELIEF

*Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:*

- b. Information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and would, on balance, be contrary to the public interest.
- d. Commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.

**Recommendation – Exclusion of the Public – Section 90(3)(b & d) Order**

- 1** That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 424/21 Hoarding Fee Relief in confidence.
  - 2.** That in accordance with Section 90(3) of the *Local Government Act 1999* Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 424/21 Hoarding Fee Relief in confidence on the following grounds:
    - b.** pursuant to section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business; or would prejudice the commercial position of Council.
    - d.** pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.
  - 3.** The Council is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.
-

Item No: 18.3

Subject: **HOARDING FEE RELIEF**

Date: 14 December 2021

Written By: Manager, Development Services

General Manager: Strategy and Corporate, Ms P Jackson

---

## **SUMMARY**

Following Council's decision from its meeting held on 12 October 2021 to grant partial dispensation for the payment of hoarding fees associated with the hotel and retail development located on the corner of Jetty Road and Colley Terrace, Glenelg, Andrew Taplin has formally responded by putting forward an alternative proposal for Council's consideration. Having regard to the additional benefits to the broader community offered by the alternative proposal, relative to the original hoarding concept, this report recommends that Council provide conditional support for the alternative option, which would effectively cap the hoarding fee to \$76,500 (\$85,000 incl. GST), whilst retaining public access to Jetty Road and Colley Terrace beneath the hoarding, over a twelve (12) month construction period, after which time Council reserves the right to impose fees consistent with its adopted Fees and Charges schedule. Support for the request is sought on the basis that the site's unique location warrants a complex, and therefore costly, hoarding solution as a means to maintain safe and unencumbered pedestrian and vehicular access through this gateway location. The added argument is that any discount on the fees payable to Council would be offset by the broader economic benefits that come with maintaining foot traffic for businesses and planned events at Glenelg, whilst also incentivising Andrew Taplin to move forward with the development in a timely manner.

---

## **RECOMMENDATIONS**

### **That Council:**

1. **Accede to the request made by Andrew Taplin in the email dated 15 November 2021 for partial dispensation from future hoarding fees (estimated at \$219,000) associated with the construction of a multi-storey hotel and retail building located at 13-23 Jetty Road and 1-3 Colley Terrace, Glenelg and approved by the State Commission Assessment Panel in Development Application Number 110/M104/20, on the basis that:**
  - a) **the hoarding fee payable to Council is \$76,500 (\$85,000 including GST); and**
  - b) **dispensation from the hoarding fees is based on the hoarding design shown on the Builder's Site Management Plan prepared by Alexander Brown**

Architects and provided by Andrew Taplin in support of the request in Attachment 1 to this report; and

- c) dispensation from the hoarding fee ceases to be offered following a period of twelve (12) months from the commencement date of construction, after which time Council reserves the right to impose a hoardings fee at the amount found in Council's fees and charges schedule operative at the time; and
  - d) dispensation for the hoarding fee is provided in recognition of the development site's strategic value as a gateway location for the economic functioning of the Glenelg District Centre, with the broader benefits of continued access through the public realm during the period of construction facilitated by a unique hoarding solution, the cost of which is partly offset by a discount of fees otherwise payable directly to Council.
2. Part 1(a) to (c) of this resolution is valid until 30 March 2022, with construction commenced after this date not entitled to dispensation from the hoarding fee otherwise attributable to the construction of a multi-storey retail and hotel building located at 13-23 Jetty Road and 1-3 Colley Terrace, Glenelg and approved by the State Commission Assessment Panel in Development Application Number 110/M104/20.
3. Part 1(a) to (c) of this resolution is contingent on the provision and approval of a formal hoarding application for assessment by Council Administration pursuant to Section 221 of the *Local Government Act 1999*. The hoarding application shall include structural details of the hoarding, methods and materials for the screening of the hoarding and building site from the public realm, and details relating to the method and timing for the temporary closure of Durham Street.

**RETAIN IN CONFIDENCE - Section 91(7) Order**

4. That having considered Agenda Item 18.3 Report No: 424/21 Hoarding Fee Relief in confidence under section 90(2) and (3)(b) and (d) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of that Act orders that the report and attachments be retained in confidence until further notice and the Chief Executive Officer is authorised to release the documents when the matter is concluded, giving due consideration to any relevant legal considerations, and that this order be reviewed every 12 months.

---

**COMMUNITY PLAN**

Place making: Creating lively and safe places

Culture: Being financially accountable

**STATUTORY PROVISIONS**

*Local Government Act 1999* [s221]

## BACKGROUND

At its meeting held on 12 October 2021, Council resolved in confidence to grant partial dispensation from the hoarding fees attributable to the Taplin Group's hotel and retail development located on the corner of Jetty Road and Colley Terrace, Glenelg (Resolution No. C121021/2445). The decision to grant dispensation was made in recognition of the development site's strategic value as a gateway location for the economic functioning of the Glenelg District Centre, with the broader benefits of continued access through the public realm during the period of construction facilitated by a unique hoarding solution, the cost of which is partly offset by a discount of fees otherwise payable directly to Council. The resolution reads as follows:

*That Council:*

1. *Accede to the request made by Alexander Brown Architect on behalf of the Taplin Group for partial dispensation from future hoarding fees associated with an approved hoarding plan by Council for the construction of a multi-storey retail and hotel building located at 13-23 Jetty Road and 1-3 Colley Terrace, Glenelg and approved by the State Commission Assessment Panel in Development Application Number 110/M104/20, on the basis that:*
  - a) *dispensation of 30% (limited to \$100,000) is provided from the fees otherwise payable for the aboveground hoardings that do not encumber safe and effective pedestrian and vehicle movement through the area;*
  - b) *dispensation of fees is not applicable to any on-street paid and unpaid carparks that are obstructed by the developer or its agents by virtue of construction activity; and*
  - c) *dispensation from hoarding fees cease to be offered following a period of eighteen (18) months from the commencement date of construction, after which time all aboveground hoardings will be invoiced at the full amount found in Council's fees and charges schedule operative at the time.*
  - d) *receipt of confirmation of the cost provided in the Architect's correspondence of implementing the hoarding solution through provision of a Quantity Survey prepared by an accredited professional.*
  - e) *dispensation from hoarding fees is provided in recognition of the development site's strategic value as a gateway location for the economic functioning of the Glenelg District Centre, with the broader benefits of continued access through the public realm during the period of construction facilitated by a unique hoarding solution, the cost of which is partly offset by a discount of fees otherwise payable directly to Council.*
2. *Part 1(a) to (c) of this resolution is valid until 30 March 2022, with construction commenced after this date not entitled to dispensation from hoarding fees otherwise attributable to the construction of a multi-storey retail and hotel building located at 13-*

*23 Jetty Road and 1-3 Colley Terrace, Glenelg and approved by the State Commission Assessment Panel in Development Application Number 110/M104/20.*

The decision was formally communicated to Andrew Taplin on 15 October 2021, with the response by Andrew Taplin dated 15 November 2021 providing an alternative option for Council's consideration.

*Refer Attachment 1*

## REPORT

Following its decision to grant partial fee relief for the cost of hoardings associated with the construction of the approved hotel and retail building located on the corner of Jetty Road and Colley Terrace at Glenelg, Andrew Taplin has responded with an alternative proposal for Council's consideration, which seeks a further fee reduction. The alternative proposal provides the opportunity for Council to consider a further fee reduction on the basis that the alternative proposal decreases the physical size of the hoarding and reduces the overall timeframe for construction. Based on the revised Builder's Site Management Plan prepared by Alexander Brown Architects and provided by Andrew Taplin in support of the request (see Attachment 1 to this report), the full fee amount payable to Council is calculated at \$219,000 (based on 430m<sup>2</sup> of hoarding over a twelve (12) month construction timeframe). Andrew Taplin is requesting that the hoarding fee is capped at \$76,500 (\$85,000 incl. GST) and that Durham Street is temporarily closed for eighty-five (85) days to facilitate critical stages of construction.

Andrew Taplin's case for seeking dispensation from the full hoarding fee amount was largely articulated in his previous approach to Council, and is based on the additional costs incurred with providing a hoarding solution that responds to the unique setting of the development site. Specifically, the developer is seeking to retain pedestrian access through the area and limit the timeframe for construction by incorporating freestanding and cantilevered gantries (where construction can continue above an otherwise unobstructed footpath), and providing the additional reinforcement required to support an on-site crane site office (thereby avoiding the need to place the crane and site office on the public road). This approach compares favourably with an otherwise conventional and relatively inexpensive hoarding solution that would likely close-off this gateway site to pedestrians over an extended period of time, and formed the reason for Council granting dispensation previously at its Meeting held on 12 October 2021. On that occasion, Council offered a 30% discount (up to a maximum of \$100,000) over an eighteen (18) month construction timeframe. The following table compares the previously endorsed conditions with those currently sought by Andrew Taplin.

	Previous	Current
<b>Hoarding Area</b>	600m <sup>2</sup>	430m <sup>2</sup>
<b>Hoarding Timeframe</b>	18-months	12-months
<b>Laydown Area</b>	Colley Terrace	Durham Street
<b>Hoarding Fee (as calculated)</b>	\$295,000	\$219,000
<b>Fee Discount</b>	30% (up to \$100,000)	\$142,500
<b>Fee Payable</b>	\$195,000 <sup>1</sup>	\$76,500 <sup>2</sup> (\$85,000 incl. GST)

<sup>1</sup>Calculated over an 18-month construction timeframe (12-month comparison being \$136,500)

<sup>2</sup>Based on 12-month construction timeframe, after which time standard fees could apply – fee differential for 12-month comparison = \$60,000

Whilst the cost differential between the previously endorsed fee reduction and that now sought by Andrew Taplin is in the order of \$60,000 (when the comparison is based on a 12-month construction timeframe), the alternative proposal does offer a shortened construction timeframe, a reduced hoarding footprint, and lessens the impact to the Colley Terrace roadway. Notwithstanding, should Council accede to the new request, the offer will be contingent on a prescribed deadline for the commencement of construction (being 30 March 2022), and be limited to a twelve (12) month construction timeframe, after which time Council reserves its right to raise its fees. Furthermore, any consent granted to the fees payable does not extend to the physical hoarding itself, which will require a separate application for structural assessment by Council Administration, and approval for the method of screening the site during the period of construction (at no cost). Council Administration will also be required to separately approve the timeframe and methodology for the temporary closure of Durham Street, being a decision that will need to be cognizant of other nearby construction sites and any planned community events that may be impacted at the time.

Whilst Council has previously agreed that some relief to the hoarding fees are warranted given the site's strategic location, Council is now being asked to reconsider the amount of dispensation previously offered. Notwithstanding that the payment offered by Andrew Taplin of \$76,500 (\$85,000 incl. GST) represents unbudgeted income for Council, it equates to a discount of \$142,000 relative to the otherwise attributable cost for the hoarding, or \$60,000 below the previously reduced amount (comparative basis). This raises the issue of equity with how Council treats other developers. Council will therefore need to consider whether this site (apart from all other development sites) is so unique given its strategic value as a gateway for the economic functioning of the Glenelg District Centre, that the broader benefits to the community of maintaining a degree of access and amenity through this area are enough to offset the costs of foregoing the allotted hoarding fees payable to Council to such a degree.

The primary reason for granting fee relief would be to ensure that pedestrian and vehicular movement continue unabated during the construction period, thereby ensuring continued accessibility and visitation for established businesses and planned events. The other benefits would be to provide the incentive sought to progress the development without further delay, and to engender goodwill with the developer, with both outcomes assisting to the timely and coordinated integration of the interface between the development site, Jetty Road, and Moseley Square (with a hotel planned for the site, it is imperative that the private and public realms are integrated in design and function commensurate with the implementation of Council's Master Plan for the precinct).

In light of the above, it would seem appropriate to provide the dispensation sought by Andrew Taplin from the scheduled fees, albeit conditional and limited to a strict commencement deadline, and a twelve (12) month construction timeframe, after which time Council reserves its right to impose hoarding fees in accordance with the adopted rate. This may also provide an incentive to the Taplin Group to shorten the construction timeframe as far as possible. In this regard, it proposed that a fee reduction is provided as requested.

**SUMMARY**

Council is being asked to reconsider the fee relief offered to the Taplin Group for the hoarding required to undertake its approved hotel and retail development on the corner of Jetty Road and Colley Terrace at Glenelg. The request comes with concessions by Andrew Taplin relative to when Council previously considered the matter, with a reduced hoarding footprint and shortened timeframe for construction. There are also the extenuating circumstances associated with this construction site that set it apart from all others in the city. It is a gateway site, a link from Jetty Road to Moseley Square, and also an essential commercial site that is in need of redevelopment and renewed activation. It is therefore beneficial if the site is developed promptly and in a timely manner, with Council offering incentives for doing so. It is therefore recommended that conditional support is provided to the request by Andrew Taplin for further dispensation from fees associated with the hoarding over Council's land.

**BUDGET**

Should Council accede to the request for fee relief, it is estimated that this would equate to an unbudgeted income of \$76,500 (\$85,000 incl. GST), although representing a foregone additional income of \$142,500 if the hoarding fee was invoiced in full.

**LIFE CYCLE COSTS**

There are no life cycle costs associated with this matter.



# Attachment 1





On 15 Nov 2021, at 4:50 pm, Andrew Taplin <[AT@taplin.com.au](mailto:AT@taplin.com.au)> wrote:

**PRIVATE & CONFIDENTIAL**

Dear Amanda,

We refer to the recent correspondence received from Anthony Maroncelli in relation to the above project.

We are committed to investing into the Jetty Road commercial precinct and have developed and had approved a project that is needed for Glenelg and wanted by the community.

This project will be a great asset to the area and will attract new visitors to the precinct.

It is felt that a number of other council precincts are undertaking serious projects and are working closely with private individuals that are prepared to invest into the local council areas. This means that public funds do not need to be invested when others are doing the investment.

We need to encourage these types of projects that are wanted and are needed but more so we need to get them constructed.

The constructions jobs and long terms employment that this project will create is enormous. The economic benefits for the region will be welcomed and will be long lasting.

Our correspondence to Council sent via Alex Brown & Associates set out many reasons that we need Council to support this project.

We are not asking council for infrastructure investment, nor are we asking council to invest funds into the project, simply we are requesting a review of the amount that we need to pay to council to have project hoarding placed on Jetty Road, Colley Terrace and to have some street closures on Durham street while construction is being undertaken.

Without your support the project is not viable.

In an effort to see the project proceed we propose as follows;

- To accept your proposal sent in Anthony Maroncelli's letter of the 15 October 2021 on the basis that we are provided with 85 days of Durham Street closures and have consent for protective hoarding to Jetty Road and Colley terrace whilst construction is being undertaken and our contribution is capped at \$85,000 incl GST.

We appreciate the efforts of Council to date but unfortunately we are now at a point where we need to either cancel the builder or proceed with the project.

We request Council consider the short and long term benefits that this project will deliver to the Holdfast Bay precinct.

Kind regards,

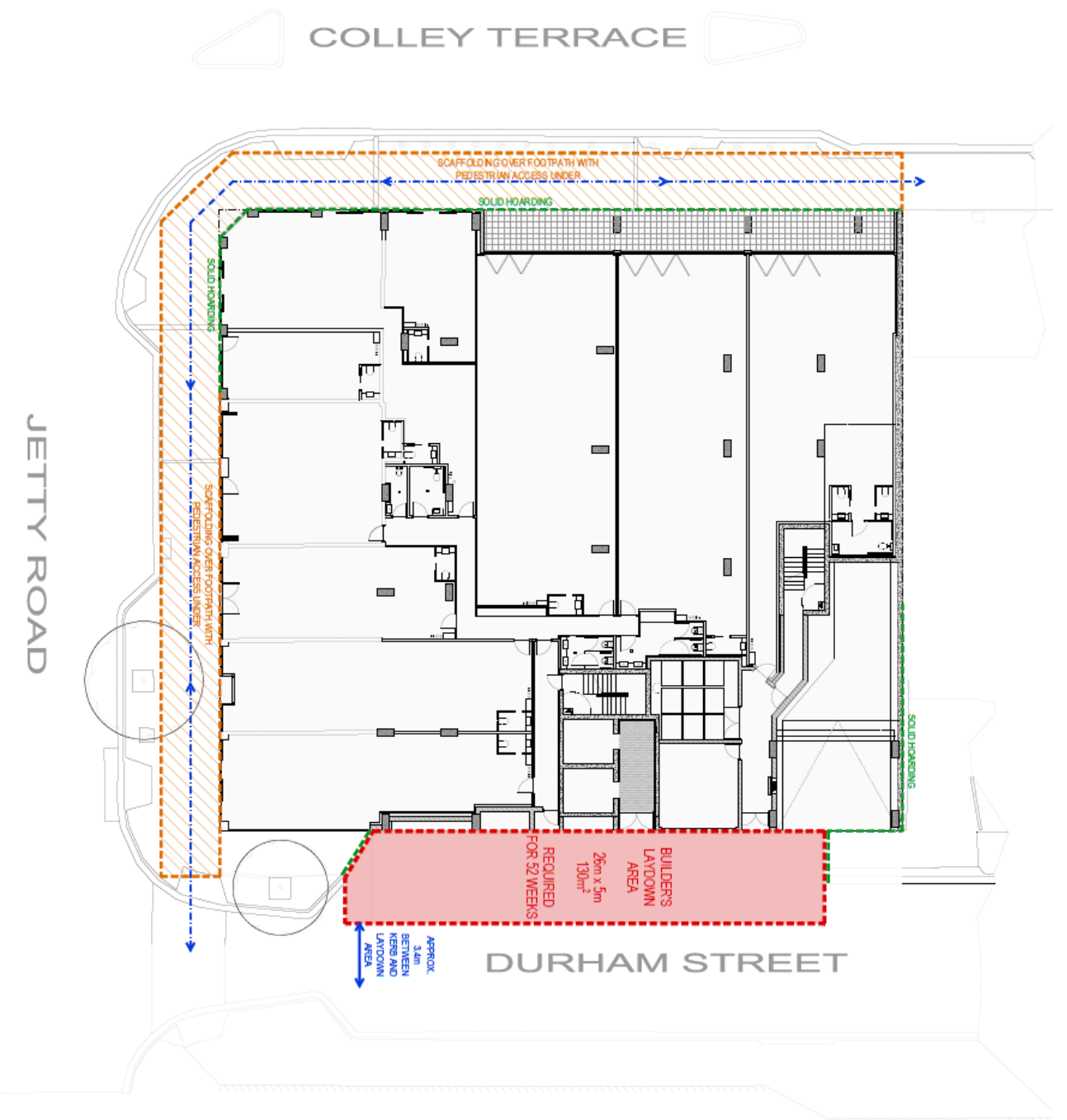
**Andrew Taplin** Director

.....

T (08) 8295 4104 · M 0418 820 977

Office address: 79 Jetty Rd, Glenelg SA 5045

Mail address: PO Box 541, Glenelg SA 5045



PRELIMINARY

19-032.SMP.001

PROJECT  
COLLEY TERRACE

1360 Jetty Road, Glenelg S.A.

CLIENT  
Trafalgar Management

DRAWN/AS TITLE  
Builders Site Management Plan

DETAILS

Drawn

Scale 1:200 @ A3

Date November 2021

ABA