

**Kalamunda Community and Cultural Centre
Comments on Business Plan**

Name	Summary of Comments	Officer Comments										
Jillian Wright	Key Points of concern are: <ul style="list-style-type: none"> The cost of the centre, Its sustainability Further consideration should be given to the proposed cost to the community 	<ul style="list-style-type: none"> The revised Business Plan has been generated with the intention of achieving long term sustainability. It is anticipated that this commercial approach shall reduce any impact on rates. 										
Nigel Dickinson	Objects to the to the transaction for the following reasons; <ul style="list-style-type: none"> The shire needs to invest in more children's services. Business plan is not robust and will lead to trailing support from the ratepayers. 	<ul style="list-style-type: none"> The revised Business Plan has been generated with the intention of achieving long term sustainability. It is anticipated that this commercial approach shall reduce any impact on rates. 										
Helen Taylor	Feels the Council should reconsider as not a priority in this economic climate.	To be determined as decision of Council										
Anonymous	Suggest building to a budget	The revised Business Plan includes new forecasted figures that are reflective of the new conceptual plan design elements. The building is being built to the following budget. <table border="1" data-bbox="895 1014 1305 1249"> <thead> <tr> <th>Provider</th> <th>Budget</th> </tr> </thead> <tbody> <tr> <td>Commonwealth Government</td> <td>\$2.3M</td> </tr> <tr> <td>State Government</td> <td>\$1.4M</td> </tr> <tr> <td>Council Contribution</td> <td>\$1.4M</td> </tr> <tr> <td>Total Project Cost</td> <td>\$5.1M</td> </tr> </tbody> </table>	Provider	Budget	Commonwealth Government	\$2.3M	State Government	\$1.4M	Council Contribution	\$1.4M	Total Project Cost	\$5.1M
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Iris Jones	Would like to know what the budget for staff is	Wages are anticipated to be \$119,000 in Year 1. For a full report of all related staff costs, please refer to P.11 of the Business Plan update.										
Gill Field	Thinks the business plan should support the design	Noted.										
Richard Gates	Concerned about the café and if it will reduce the operating costs	Anticipated that Café facility shall provide an ongoing lease income and complement activities without increasing operational costs.										
Anonymous	Concerned about the impact on rates	<ul style="list-style-type: none"> The revised Business Plan has been generated with the intention of achieving long term sustainability. It is anticipated that this commercial approach shall reduce any impact on rates. 										
Neville Sparrow	Supports the design concept but is concerned it may cause a rate rise.	<ul style="list-style-type: none"> The revised Business Plan has been generated with the intention of achieving long term sustainability. It is anticipated that this commercial approach shall reduce any impact on rates. 										

Rachel Telford Tourism WA	<ul style="list-style-type: none"> • The financial analysis included as part of the commercial feasibility appears ambitious in the projection of visitor number and sales. • The costs, particularly the leasing costs appear extremely high for the location of the centre. This paints a misleading picture as to the potential commercial sustainability of the centre. • Another consultant to review feasibility study is suggested 	Comments to be provided to architect once appointed for final design process
Robert Wiltshire	Suggests leasing retail areas.	An enhanced commercial approach is being implemented in the revised Business Plan, inclusive of possible future leasing for the café and some office space.
Fred & Pam Hainsworth	<p>Supports the design concept but has the following concerns;</p> <ul style="list-style-type: none"> • the ongoing funding of the building and its ability to sustain itself. • The extent to which the Federal Government will contribute to the development cost. • The effect a new café will have on the established café's operating in the area and if those operators are supportive of the proposal? 	<p>Noted.</p> <ul style="list-style-type: none"> • Benefits of the KCCC to the community in terms of economic stimulation and improved cultural awareness and opportunity are expected to outweigh the ongoing operational cost. • The Federal Government has committed \$2.3 million and the State Government \$1.4 million towards the project. • Feedback received from both the funding providers and the community required a more viable facility, therefore commercially focused design elements have been incorporated into the revised concept plan. It is anticipated that a commercial lease arrangement shall offset operational costs and improve the long term viability of the facility.
Wayne Garwood	<p>Supports in principle a need for a Cultural centre but has the following concerns;</p> <ul style="list-style-type: none"> • If the wineries are going to contribute to the operating costs of the local produce section, why is there such a large increase in the budget costing from May 2006-2009? • The SOK has provided no financial analysis in the documentation available to the public at this stage. • What are the recurring/ongoing (including staffing salaries) costs for operating the centre going to be? • Will this mean an increase in the Annual Rates to cover these costs? 	<ul style="list-style-type: none"> • Feedback received from both the funding providers and the community required a more viable facility, therefore commercially focused design elements have been incorporated into the revised concept plan. The new inclusions have subsequently increased the size of the facility and therefore the cost. However, although the building design has changed, Councils financial contribution of \$1.4 million toward the project has not changed • Pages 5 and 9 of the Feasibility Update Report provides greater detail in relation to the financial analysis and operating costs • The revised Business Plan has been generated with the intention of achieving long term sustainability. It is anticipated that this commercial approach shall reduce any impact on rates.

<p>Rupert & Chrissie Duckworth</p>	<ul style="list-style-type: none"> • Based on information obtained, they feel that the proposed cultural centre as presented has a significant negative NPV and does not provide sufficient social and environmental benefit to justify continued consideration. • They feel the centre has the following flaws in regards to the business plan, in respect to the social and environmental impacts; enough liquor outlets. • Who will be held responsible if the centre fails - Ratepayers?, little consideration given to the sustainable principles. • Why are 2 different air conditioners needed - cost of both, no inclusion of solar panels. • Questions how the visitor number was generated • What was the basis for the increase and decrease in visitor numbers, • What the Fees & Provisions of construction costs includes/covers. • What support from the local business has been received, • Any consideration given to local business objecting to the shire obtaining a liquor licence. • What feedback received from competing cafes. 	<ul style="list-style-type: none"> • A liquor outlet has not been proposed in this project. • Council is responsible for all community facilities and ongoing costs. • Visitor numbers were provided by Consultant as part of investigation and research. • Minor decrease of visitor numbers in Year 4 and 5 are reflective of an end to the 'Honeymoon' period that is anticipated in Years 1-3. • Feedback received from both the funding providers and the community required a more viable facility, therefore commercially focused design elements have been incorporated into the revised concept plan. It is anticipated that a commercial lease arrangement shall offset operational costs and improve the long term viability of the facility.
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