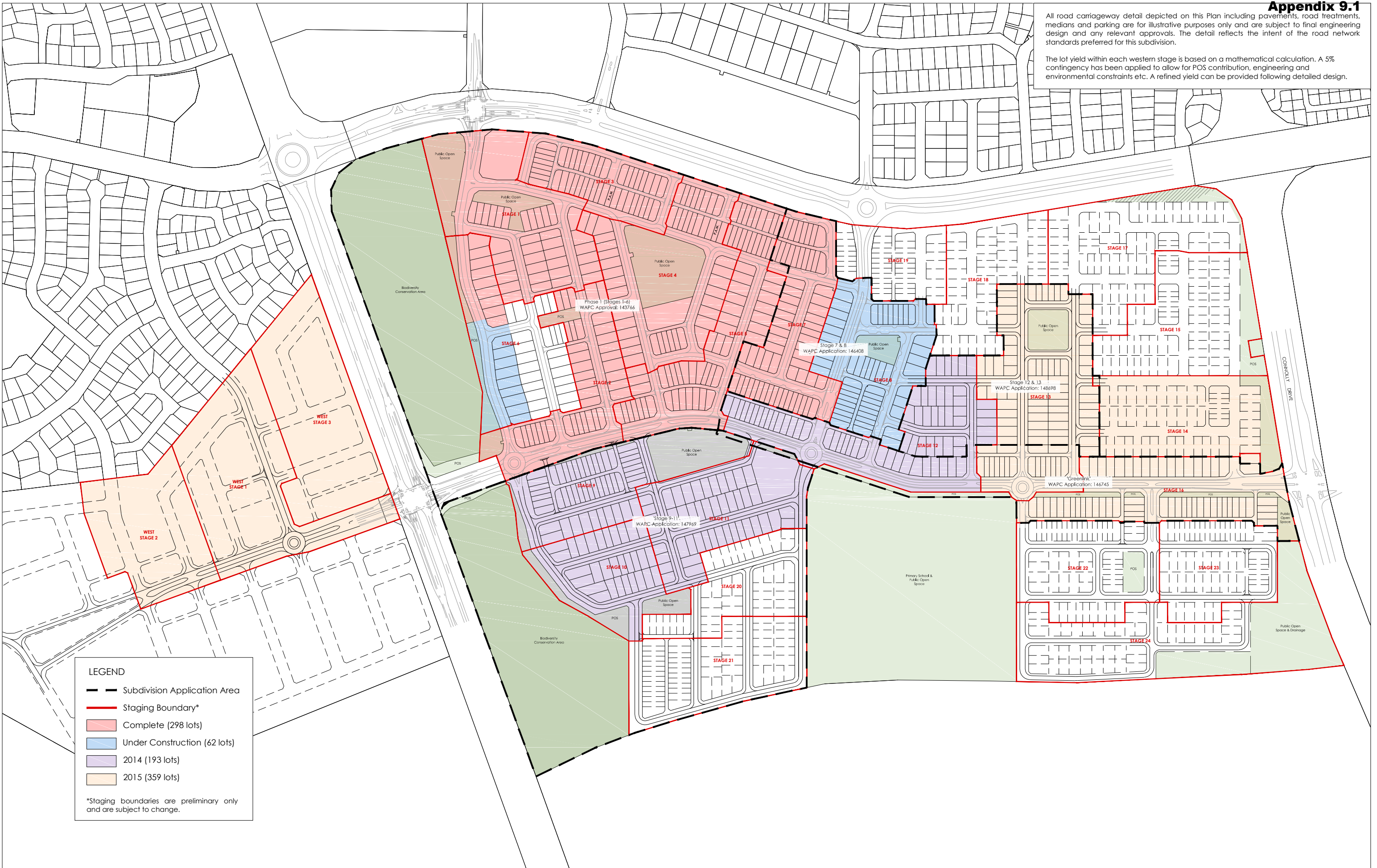


# Appendix 9.1

All road carriageway detail depicted on this Plan including pavements, road treatments, medians and parking are for illustrative purposes only and are subject to final engineering design and any relevant approvals. The detail reflects the intent of the road network standards preferred for this subdivision.

The lot yield within each western stage is based on a mathematical calculation. A 5% contingency has been applied to allow for POS contribution, engineering and environmental constraints etc. A refined yield can be provided following detailed design.



**LEGEND**

- Subdivision Application Area
- Staging Boundary\*
- Complete (298 lots)
- Under Construction (62 lots)
- 2014 (193 lots)
- 2015 (359 lots)

\*Staging boundaries are preliminary only and are subject to change.



# Appendix 9.2

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2013 TO 31 JANUARY 2014**

	NOTE	31 Jan 2014 Actual \$	31 Jan 2014 Y-T-D Budget \$	2013/2014 Adopted Budget \$	Variances Budget to Actual Y-T-D %
<b><u>Operating</u></b>					
<b>Revenues</b>					
	1,2				
Interest Earnings		545,952	426,656	711,090	27.96%
Other Revenue		4,635	0	1,890	0.00%
		<u>550,587</u>	<u>426,656</u>	<u>712,980</u>	29.05%
<b>Expenses</b>					
	1,2				
Employee Costs		(310,399)	(391,029)	(679,975)	(20.62%)
Materials and Contracts					
- Materials and Contracts Other		(86,752)	(129,819)	(348,450)	(33.17%)
- Professional/Consultant Fees		(30,057)	(71,250)	0	(57.81%)
Depreciation		0	(11,678)	(20,489)	(100.00%)
Utilities		0	0	(10,000)	0.00%
Insurance		(23,848)	(11,900)	(11,900)	100.40%
Other Expenditure		(46,254)	(86,776)	(161,050)	(46.70%)
		<u>(497,310)</u>	<u>(702,452)</u>	<u>(1,231,864)</u>	(29.20%)
<b><u>Adjustments for Non-Cash (Revenue) and Expenditure</u></b>					
Depreciation on Assets		0	11,678	20,489	(100.00%)
<b><u>Capital Revenue and (Expenditure)</u></b>					
Furniture and Equipment	3	(4,970)	(4,970)	(6,000)	0.00%
<b>LESS MEMBERS EQUITY</b>					
<b>Development of Land for Resale</b>					
Income Sale of Lots - Subdivision		19,972,632	23,900,549	45,640,484	(16.43%)
Income Other Subdivisions		14,029	370,037	634,349	(96.21%)
Development Costs		(14,889,043)	(26,716,853)	(45,800,319)	(44.27%)
Contribution Refund		(220,404)	(233,333)	(400,000)	(5.54%)
Contribution Returned		(3,999,996)	(5,833,333)	(10,000,000)	(31.43%)
<b>Change in Contributed Equity</b>	6	<u>877,218</u>	<u>(8,512,933)</u>	<u>(9,925,486)</u>	(110.30%)
ADD Net Current Assets July 1 B/Fwd	7	26,068,417	26,069,508	26,069,508	(0.00%)
Net Current Assets Year to Date	7	<u>26,993,942</u>	<u>17,287,487</u>	<u>15,639,627</u>	

This statement is to be read in conjunction with the accompanying notes.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2013 TO 31 JANUARY 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

**(a) Basis of Accounting**

This statement is a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

**(b) The Local Government Reporting Entity**

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

The Council does not hold any monies in trust.

**(c) Rounding Off Figures**

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

**(d) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

**(e) Goods and Services Tax**

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

**(f) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2013 TO 31 JANUARY 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Trade and Other Receivables**

Trade Receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibility of trade receivables is viewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is object evidence that they will not be collectible.

**(h) Inventories**

**General**

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

**Land Held for Resale**

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

**(i) Fixed Assets**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Municipality includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

Effective from 1 July 2012, the Local Government (Financial Management) regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The regulations allow for the phasing in of fair value in relation to fixed assets over three years as follows:

Plant and Equipment by June 30 2013

Plant and Equipment, Land and Buildings and Infrastructure by 30 June 2014, and

All Assets by 30 June 2015.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2013 TO 31 JANUARY 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Computer Equipment	4 years
Printers, Photocopiers and Scanners	5 years
Furniture and Equipment	4 to 10 years
Floor coverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

**(k) Impairment**

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2013.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

**(l) Trade and Other Payables**

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(m) Employee Benefits**

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

**(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)**

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the municipality has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay

and includes related on-costs.



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2013 TO 31 JANUARY 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(m) Employee Benefits (Continued)**

**(ii) Annual Leave and Long Service Leave (Long-term Benefits)**

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

**(n) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

***Borrowing Costs***

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**(o) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

**(p) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2013 TO 31 JANUARY 2014**

**2. STATEMENT OF OBJECTIVE**

The Regional Council has a specific regional purpose which is:

- a) To undertake, in accordance with the objectives, the rezoning, subdivision, development marketing and sale of land comprising the developable portion of Lot 118 Mindarie (now Lot 9504); and
- b) To carry out and do all other acts and things which are reasonably necessary for the bringing into effect of the matters referred to in paragraph a).

The objectives of the Regional Council are:

1. To develop and improve the value of the land;
2. To maximise, and with prudent risk parameters, the financial return to the Participants;
3. To balance economic, social and environmental issues; and
4. To produce a quality development demonstrating the best urban design and development practice.

**3. ACQUISITION OF ASSETS**

The following assets are budgeted to be acquired during the year:

	<b>31 Jan 2014 Actual \$</b>	<b>Adopted 2013/14 Budget \$</b>
<b><u>By Program</u></b>		
<b>Other Property and Services</b>		
Photocopier	4,970	4,970
Other Office Equipment	0	1,030
	<b>4,970</b>	<b>6,000</b>
<b><u>By Class</u></b>		
Furniture and Equipment	4,970	6,000
	<b>4,970</b>	<b>6,000</b>

**4. DISPOSALS OF ASSETS**

No assets have been disposed of during the period under review.

**TAMALA PARK REGIONAL COUNCIL  
STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2013 TO 28 FEBRUARY 2014**

	NOTE	28 Feb 2014 Actual \$	28 Feb 2014 Y-T-D Budget \$	2013/2014 Adopted Budget \$	Variences Budget to Actual Y-T-D %
<b><u>Operating</u></b>					
<b>Revenues</b>					
	1,2				
Interest Earnings		627,670	455,100	711,090	37.92%
Other Revenue		4,635	0	1,890	0.00%
		<u>632,305</u>	<u>455,100</u>	<u>712,980</u>	38.94%
<b>Expenses</b>					
	1,2				
Employee Costs		(349,968)	(444,005)	(679,975)	(21.18%)
Materials and Contracts					
- Materials and Contracts Other		(75,713)	(129,819)	(348,450)	(41.68%)
- Professional/Consultant Fees		(46,876)	(71,250)	0	(34.21%)
Depreciation		0	(13,317)	(20,489)	(100.00%)
Utilities		0	0	(10,000)	0.00%
Insurance		(23,848)	(11,900)	(11,900)	100.40%
Other Expenditure		(82,683)	(91,265)	(161,050)	(9.40%)
		<u>(579,088)</u>	<u>(761,556)</u>	<u>(1,231,864)</u>	(23.96%)
<b><u>Adjustments for Non-Cash (Revenue) and Expenditure</u></b>					
Depreciation on Assets		0	13,317	20,489	(100.00%)
<b><u>Capital Revenue and (Expenditure)</u></b>					
Furniture and Equipment	3	(6,968)	(6,000)	(6,000)	16.13%
<b>LESS MEMBERS EQUITY</b>					
<b>Development of Land for Resale</b>					
Income Sale of Lots - Subdivision		30,794,348	24,359,755	45,640,484	26.41%
Income Other Subdivisions		14,029	370,037	634,349	(96.21%)
Development Costs		(18,627,942)	(30,533,546)	(45,800,319)	(38.99%)
Contribution Refund		(220,404)	(266,667)	(400,000)	(17.35%)
Contribution Returned		(3,999,996)	(6,666,667)	(10,000,000)	(40.00%)
<b>Change in Contributed Equity</b>	6	<u>7,960,035</u>	<u>(12,737,087)</u>	<u>(9,925,486)</u>	(162.49%)
ADD Net Current Assets July 1 B/Fwd	7	26,068,417	26,069,508	26,069,508	(0.00%)
Net Current Assets Year to Date	7	<u>34,074,701</u>	<u>13,033,282</u>	<u>15,639,627</u>	

This statement is to be read in conjunction with the accompanying notes.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2013 TO 28 FEBRUARY 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

**(a) Basis of Accounting**

This statement is a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

**(b) The Local Government Reporting Entity**

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

The Council does not hold any monies in trust.

**(c) Rounding Off Figures**

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

**(d) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

**(e) Goods and Services Tax**

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

**(f) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2013 TO 28 FEBRUARY 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(g) Trade and Other Receivables**

Trade Receivables, which generally have 30-90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibility of trade receivables is viewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is object evidence that they will not be collectible.

**(h) Inventories**

**General**

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

**Land Held for Resale**

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

**(i) Fixed Assets**

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Municipality includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

Effective from 1 July 2012, the Local Government (Financial Management) regulations were amended and the measurement of non-current assets at Fair Value became mandatory.

The regulations allow for the phasing in of fair value in relation to fixed assets over three years as follows:

Plant and Equipment by June 30 2013

Plant and Equipment, Land and Buildings and Infrastructure by 30 June 2014, and

All Assets by 30 June 2015.

**TAMALA PARK REGIONAL COUNCIL**  
**NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE PERIOD 1 JULY 2013 TO 28 FEBRUARY 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Depreciation of Non-Current Assets**

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Computer Equipment	4 years
Printers, Photocopiers and Scanners	5 years
Furniture and Equipment	4 to 10 years
Floor coverings	8 years
Phones and Faxes	6 to 7 years
Plant and Equipment	5 to 15 years
Infrastructure	30 to 50 years

**(k) Impairment**

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2013.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

**(l) Trade and Other Payables**

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

**(m) Employee Benefits**

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

**(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)**

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the municipality has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay

and includes related on-costs.

**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2013 TO 28 FEBRUARY 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(m) Employee Benefits (Continued)**

**(ii) Annual Leave and Long Service Leave (Long-term Benefits)**

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

**(n) Interest-bearing Loans and Borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

***Borrowing Costs***

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**(o) Provisions**

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

**(p) Current and Non-Current Classification**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on



**TAMALA PARK REGIONAL COUNCIL  
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY  
FOR THE PERIOD 1 JULY 2013 TO 28 FEBRUARY 2014**

## 2. STATEMENT OF OBJECTIVE

The Regional Council has a specific regional purpose which is:

- a) To undertake, in accordance with the objectives, the rezoning, subdivision, development marketing and sale of land comprising the developable portion of Lot 118 Mindarie (now Lot 9504); and
- b) To carry out and do all other acts and things which are reasonably necessary for the bringing into effect of the matters referred to in paragraph a).

The objectives of the Regional Council are:

- 1. To develop and improve the value of the land;
- 2. To maximise, and with prudent risk parameters, the financial return to the Participants;
- 3. To balance economic, social and environmental issues; and
- 4. To produce a quality development demonstrating the best urban design and development practice.

## 3. ACQUISITION OF ASSETS

The following assets are budgeted to be acquired during the year:

	<b>28 Feb 2014 Actual \$</b>	<b>Adopted 2013/14 Budget \$</b>
<b><u>By Program</u></b>		
<b>Other Property and Services</b>		
Photocopier	4,970	4,970
Other Office Equipment	1,998	1,030
	<b>6,968</b>	<b>6,000</b>
<b><u>By Class</u></b>		
Furniture and Equipment	6,968	6,000
	<b>6,968</b>	<b>6,000</b>

## 4. DISPOSALS OF ASSETS

No assets have been disposed of during the period under review.

# Appendix 9.3

**Tamala Park Regional Council**  
**Cheque Detail**  
February 2014

Type	Num	Date	Name	Description	Original Amount
Bill Pmt -Cheque	CH-200363	28/02/2014	Davidson, Janet	Elected member allowance Nov 2013 to Jan 2014	-2,500.00
Bill	Chq-200363	28/02/2014		Elected member allowance Nov 2013 to Jan 2014	<u>2,500.00</u>
					2,500.00
<b>TOTAL</b>					<b>\$2,500.00</b>

**Tamala Park Regional Council**  
**Summary Payment List**  
**February 2014**

**Appendix 9.3**

<b>Date</b>	<b>Num</b>	<b>Name</b>	<b>Description</b>	<b>Amount</b>
03/02/2014	Feb Charges	Westpac Bank	Bank charges Cheque AC - February 2014	-48.35
03/02/2014	ET-2522	B Bhabra Investment Trust	Lot 173 (4th instalment over 3 year period)	-2,887.50
03/02/2014	ET-2523	James Paxman & Melissa Wieloch	Lot 168 (4th instalment over 3 year period)	-3,281.25
03/02/2014	ET-2524	Steel Test Pty Ltd	Lot 41 (4th instalment over 3 year period)	-2,887.50
05/02/2014	ET-2516	Australian Super	VvS Superannuation for 26/12/13 - 22/01/14	-298.45
06/02/2014	ET-2517	Employee Costs	Wages for period 23/01/14 - 05/02/14	-13,246.63
07/02/2014	ET-2506	LGIS Workcare	Adjusted contribution for period 30/06/12 - 30/06/13	-1,006.72
07/02/2014	ET-2525	Atco Gas	Relocate PVC at Marmion Ave (Final milestone)	-37,967.60
07/02/2014	ET-2526	Cedar Homes	Lease of Sales Unit 3 - Lot 1 McAllister Bvd (Feb 14)	-1,100.00
07/02/2014	ET-2527	Emerge Associates	Invoices 11024, 11025, 10608, 10934 & 11124	-16,500.00
07/02/2014	ET-2528	Ertech	Marmion Ave Intersection Civil Works	-601,375.46
07/02/2014	ET-2529	Homebuyers Centre	Lot 74 Waste management rebate	-990.00
07/02/2014	ET-2530	Imagesource	Master Plan on Canvas	-676.13
07/02/2014	ET-2531	LD Total	Bore Works Stage 7 - Dec 2013	-41,609.30
07/02/2014	ET-2532	McMullen Nolan Surveyors	Stage 9 Basic items & additional items	-3,135.00
07/02/2014	ET-2533	R J Vincent & Co	Civil works progress payments	-924,480.09
07/02/2014	ET-2534	Sally Brothers Interior Design	Sofa for Catalina display home	-1,600.00
07/02/2014	ET-2535	Treacy Fencing	Stage 4 Fencing - Lot 203	-3,463.02
07/02/2014	ET-2536	WALGA	Invoices 6516-6518	-1,168.78
07/02/2014	ET-2537	Employee Costs	Superannuation for period 23/01/14 - 05/02/14	-1,482.40
07/02/2014	ET-2587	City of Wanneroo - Supplier	GST owing December 2013	-2,147.12
13/02/2014	ET-2540	Westpac Bank	Payment CEO & EA credit cards February 2014	-1,923.74
14/02/2014	Bond Refund	City of Wanneroo - Supplier	Stage 2 Bond Refund	12,464.79
18/02/2014	ET-2541	Australian Taxation Office	IAS payment January 2014	-13,950.00
19/02/2014	ET-2588	City of Joondalup - Supplier	GST Oct & Dec 2013	-4,516.97
19/02/2014	ET-2589	City of Wanneroo - Supplier	GST owing November 2013	-25,982.38
20/02/2014	ET-2558	Employee Costs	Wages for period 06/02/14-19/02/14	-9,601.80
20/02/2014	ET-2542	Action Couriers	Postage, Courier & Freight - 29/01/14 - 08/02/14	-157.27
20/02/2014	ET-2543	Allion Legal	Easements Stage 7	-1,794.96
20/02/2014	ET-2544	Burgess Rawson	Invoices 36743-60 & 36781-60	-1,925.00
20/02/2014	ET-2545	Cabcharge	Account fee Jan 2014	-6.00
20/02/2014	ET-2546	Chappell Lambert Everett	Invoices 4932 & 4933	-16,737.11
20/02/2014	ET-2547	Cossill & Webley	Invoices 14686, 14771, 14769, 14768, 14765, 14763	-107,832.87
20/02/2014	ET-2548	DAH Properties	Display home - Lot 166	-13,000.00
20/02/2014	ET-2549	Docushred	Security Bin	-51.70
20/02/2014	ET-2550	Driving Force Cleaning Services	Sales office cleaning Jan 2014	-180.00
20/02/2014	ET-2551	Eco Logical Australia	EPBC offset consultation	-522.50
20/02/2014	ET-2552	Emerge Associates	Invoices 11027-11029, 11153 & 11155	-10,450.00
20/02/2014	ET-2553	Ertech	Marmion Ave Intersection Civil Works Dec 2013	-655,011.68
20/02/2014	ET-2554	Haines Norton	TAM801	-1,914.00
20/02/2014	ET-2555	Homebuyers Centre	Display village rebate - Lot 156 Oct 2013	-9,000.00
20/02/2014	ET-2556	Hull, LC	Solar Panel Rebate	-2,000.00
20/02/2014	ET-2557	J-Corp Pty Ltd	Display home rebate - Lot 165 Oct 2013	-11,500.00
20/02/2014	ET-2590	LD Total	Invoices 57514, 56103, 58028, 57486, 58683 & 5825	-29,146.40
20/02/2014	ET-2591	Loaded	Invoices 1220, 1195 & 1233	-587.01
20/02/2014	ET-2592	Marketforce	Invoices 11514, 11214, 10311 10699 & 11515	-5,077.67
20/02/2014	ET-2593	McMullen Nolan Surveyors	Stage 4 Survey	-3,025.00

**Tamala Park Regional Council**  
**Summary Payment List**  
**February 2014**

**Appendix 9.3**

20/02/2014	ET-2594	New Great Cleaning Service	TPRC office cleaning Jan 2014	-214.50
20/02/2014	ET-2595	Officeworks	Office supplies	-76.89
20/02/2014	ET-2596	Optimum Media Decisions	Invoice 11398, 1630, 20124 & 20123	-4,313.49
20/02/2014	ET-2597	R J Vincent & Co	Invoices 2889 & 2890	-890,782.32
20/02/2014	ET-2598	Replants	Stage 9-11 grass trees	-3,300.00
20/02/2014	ET-2599	Stantons International	Invoices 52339, 52358 & 52416	-16,007.75
20/02/2014	ET-2600	Synergy	1 McAllister Bvd Nov 2013 - Jan 2014	-229.10
20/02/2014	ET-2601	Treacy Fencing	Invoices 637034, 637032, 637431, 637432, 637031, 637032	-32,493.01
20/02/2014	ET-2602	Water Corporation	Water charges - 39 Aviator Bvd (Lot 170)	-5.52
20/02/2014	ET-2603	Burgess Rawson	Double payment	-275.00
20/02/2014	ET-2604	Neverfail	Bottled water	-52.05
20/02/2014	ET-2605	Action Couriers	Charges January 2014	-30.27
20/02/2014	ET-2606	Water Corporation	Sales office Elsbury App (Jan - Feb 2014)	-488.22
26/02/2014	ET-2563	Employee Costs	Superannuation for period 06/02/14 - 19/02/14	-1,460.98
26/02/2014	ET-2561	McLeods Barristers & Solicitors	Invoices 78138 & 78145	-4,943.21
28/02/2014	ET-2564	Telstra	Network road works - Marmion Ave	-196,835.74
28/02/2014	ET-2565	Carr, Louis	Elected member allowance Nov 2013 - Jan 2014	-2,500.00
28/02/2014	ET-2566	Treby, Brett	Elected member allowance Nov 2013 to Jan 2014	-2,500.00
28/02/2014	ET-2567	D Guise	Elected member allowance Nov 2013 to Jan 2014	-2,500.00
28/02/2014	CH-200363	Davidson, Janet	Elected member allowance Nov 2013 to Jan 2014	-2,500.00
28/02/2014	ET-2568	Italiano, Giovanni	Chairman allowance Nov 2013 to Jan 2014	-8,500.00
28/02/2014	ET-2569	McLean, Tom	Elected member allowance Nov 2013 to Jan 2014	-2,500.00
28/02/2014	ET-2570	Topelberg Joshua	Elected member allowance Nov 2013 to Jan 2014	-2,500.00
28/02/2014	ET-2571	Tyzack, Terry	Elected member allowance Nov 2013 to Jan 2014	-2,500.00
28/02/2014	ET-2572	Vaughan, Trevor	Elected member allowance Nov 2013 to Jan 2014	-3,687.50
28/02/2014	ET-2573	Shan-Hao Yang & Xiuying Chen	Lot 172 (4th instalment over 3 year period)	-2,887.50
28/02/2014	ET-2575	City of Stirling	GST Nov & Dec 2013	-56,258.99
28/02/2014	ET-2576	City of Vincent - Supplier	GST Oct & Nov 2013	-14,176.11
28/02/2014	ET-2577	Town of Victoria Park - Supplier	GST June - November 2013	-35,882.87
28/02/2014	ET-2578	City of Joondalup - Supplier	GST owing January 2014	-1,528.62
28/02/2014	Bond Refund	City of Wanneroo - Supplier	Stage 5 Bond Refund	78,292.42
				<b><u><u>-3,788,417.79</u></u></b>

# Appendix 9.4

26 March 2014

Mr Tony Arias  
Chief Executive Officer  
Tamala Park Regional Council  
PO Box 655  
INNALOO WA 6918

Dear Tony

#### Catalina Financial Report for February 2014

Please find attached the Catalina Financial Report for February 2014. This report has been prepared on a cash basis and compares actual income and expenditure to the June 2013 approved budget for the period 1 February 2014 to 28 February 2014.

Settlement revenue for the financial year to 28 February 2014 is \$31.2m which is \$6.6m ahead of the approved 'June 2013' budget with 28 more residential settlements for the year to date. Project to date settlement revenue is \$74.5m, which is \$10.9m ahead of budget due to 46 more settlements than the approved 'June 2013' budget along with slightly higher selling prices on the 339 project to date actual settlements. The additional settlements are due to stage 8 titles issuing one month ahead of budget.

Selling costs for FYE2014 are \$2.0m below the approved 'June 2013' budget, with \$1.7m of this relating to the non-application of Item 4 of the GST Margin scheme in the budget.

Sales for FYE2014 are \$1.3m favourable to budget due to 4 more residential lot sales during the year to date.

Overall FYE2014 expenditure is \$8.5m under budget per the approved 'June 2013' Budget, with \$16.6m spent compared to a budget of \$25.1m. The main areas of variance are summarised below:

- Landscaping \$3.1m under budget
  - Stage 4 Park \$0.9m under budget due to deferred payments
  - Biodiversity Conservation Area \$0.3m under budget due to deferred payments
  - Deferred landscape of new entry and Sales Office \$0.9m
- Lot Production \$1.9m under budget
  - Stage 8 Earthworks \$0.4m under budget as full provisional sums were not used
  - Stage 7 \$0.7m under budget as full provisional sums were not used
  - Stage 9 \$0.5m under budget due to deferred works and payments
  - Stage 10 \$0.4m under budget due to deferred works and payments
- Infrastructure budget yet to be fully utilised by \$0.6m due to progress payments for Marmion Avenue Green Link Intersection being under budget and deferred by \$0.2m and savings for the Gravity Sewer \$0.4m.
- Special Sites Construction \$0.5m under budget due to deferred progress payments for the Sales Office Construction
- Contingency not yet required \$1.0m

Please refer to the attached Cashflow Analysis for a more detailed analysis of actual to budget variances.

Should you have any queries on this report, please do not hesitate to contact me.

Yours faithfully



**Brenton Downing**  
Project Director

CATALINA - FINANCE REPORT

1.0 Management Accounts - February 2014

1.1 KEY STATISTICS

	<u>Lots Produced (titles)</u>		<u>Sales</u>		<u>Settlements</u>		<u>Distributions</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
	June 2013		June 2013		June 2013		June 2013	
Prior Years	220	232	270	285	195	177	-	-
Jul-2013	-	-	24	5	6	30	-	-
Aug-2013	14	-	(1)	3	3	13	-	-
Sep-2013	-	63	29	19	16	4	-	-
<b>Sep-12 Qtr</b>	<b>14</b>	<b>63</b>	<b>52</b>	<b>27</b>	<b>25</b>	<b>47</b>	-	-
Oct-2013	63	-	22	22	6	6	-	4,000,000
Nov-2013	-	-	4	16	58	54	-	-
Dec-2013	1	-	(2)	20	5	5	4,000,000	-
<b>Dec-12 Qtr</b>	<b>64</b>	<b>-</b>	<b>24</b>	<b>58</b>	<b>69</b>	<b>65</b>	<b>4,000,000</b>	<b>4,000,000</b>
Jan-2014	53	-	37	9	2	2	-	-
Feb-2014	-	53	8	23	48	2	-	-
Mar-2014	-	-	-	19	-	20	-	-
<b>Mar-13 Qtr</b>	<b>53</b>	<b>53</b>	<b>45</b>	<b>51</b>	<b>50</b>	<b>24</b>	-	-
Apr-2014	-	10	-	20	-	21	-	4,000,000
May-2014	-	70	-	17	-	13	-	-
Jun-2014	-	-	-	15	-	36	-	-
<b>Jun-13 Qtr</b>	<b>-</b>	<b>80</b>	<b>-</b>	<b>52</b>	<b>-</b>	<b>70</b>	<b>-</b>	<b>4,000,000</b>
<b>Full 2013/14 Year</b>	<b>131</b>	<b>196</b>	<b>121</b>	<b>188</b>	<b>144</b>	<b>206</b>	<b>4,000,000</b>	<b>8,000,000</b>
<b>PTD</b>	<b>351</b>	<b>348</b>	<b>391</b>	<b>402</b>	<b>339</b>	<b>293</b>	<b>4,000,000</b>	<b>4,000,000</b>
<b>2014/15</b>		<b>193</b>		<b>222</b>		<b>234</b>		<b>14,000,000</b>
<b>2015/16</b>		<b>253</b>		<b>200</b>		<b>168</b>		<b>18,000,000</b>

- 48 lots settled in February 2014. The total settlements comprise of 1 lot each from Stages 2, 5 and 7, and 45 lots from stage 8.

1.2 Sales & Settlements

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
- Sales #	8	23	121	117	391	402
- Sales \$	2,008,000	5,530,364	27,931,500	26,637,693	86,680,500	88,517,804
- Sales \$/lot	251,000	240,451	230,839	227,673	221,689	220,194
- Settlements #	48	2	144	116	339	293
- Settlements \$	10,996,000	419,206	31,249,500	24,689,792	74,475,500	63,552,346
- Settlements \$/lot	229,083	209,603	217,010	212,843	219,692	216,902
- Spec. Site Sales #	-	-	-	-	-	-
- Spec. Site Sales \$	-	0	-	(0)	-	(0)
- Spec Site Sales \$/lot	-	-	-	-	-	-
- Spec. Site Stlmts #	-	-	-	-	-	-
- Spec. Site Stlmts \$	-	0	-	(0)	-	(0)
- Spec Site Stlmts \$/lot	-	-	-	-	-	-
- Unsettled sales #	52		{ Unconditional Conditional }	5	Titled 351	
- Unsettled sales \$	12,205,000			47		
- Unsettled sales \$/lot	234,712					



## CATALINA - FINANCE REPORT

## 1.3 Cashflow - MTD Actuals to budget

	<u>MTD Act</u>	<u>MTD Bgt</u>	<u>Variance</u>
Revenue	10,996,000	419,206	10,576,794
Margin GST	(175,098 )	(36,315 )	(138,782 )
Direct selling costs	(495,170 )	(20,775 )	(474,394 )
Interest Income	812	-	812
Forfeited Deposits	-	-	-
Other Income	-	40,000	(40,000 )
Rebate Allowance	(126,793 )	(302,236 )	175,443
	<u>10,199,752</u>	<u>99,879</u>	<u>10,099,873</u>
<i>Development costs</i>			
Lot production	1,460,247	2,133,157	672,910
Landscaping	27,500	123,298	95,798
Consultants	15,691	61,971	46,280
Infrastructure	1,399,981	20,508	(1,379,473 )
Sales office building	1,455	50,418	48,964
Sales & marketing	10,748	86,114	75,366
Administration	38,730	53,111	14,381
Finance	163,912	132,927	(30,985 )
	<u>3,118,263</u>	<u>2,661,504</u>	<u>(456,758 )</u>
Cashflow	<u>7,081,489</u>	<u>(2,561,625 )</u>	<u>9,643,114</u>

- Actual margin scheme GST has been calculated under the concessional Item 4 basis for settlements.

## 1.4 Cashflow - YTD Actuals to budget

	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Variance</u>
Revenue	31,249,500	24,689,792	6,559,708
Margin GST	(446,579 )	(2,140,460 )	1,693,880
Direct selling costs	(1,407,961 )	(1,122,146 )	(285,815 )
Interest Income	10,681	-	10,681
Forfeited Deposits	-	-	-
Other Income	-	40,000	(40,000 )
Rebate Allowance	(410,934 )	(947,731 )	536,797
	<u>28,994,707</u>	<u>20,519,456</u>	<u>8,475,252</u>
<i>Development costs</i>			
Lot production	11,427,053	13,337,586	1,910,534
Landscaping	895,165	4,038,379	3,143,214
Consultants	250,842	585,667	334,826
Infrastructure	3,431,118	4,080,057	648,939
Sales office building	220,472	715,164	494,692
Sales & marketing	65,109	455,797	390,689
Administration	163,608	655,436	491,828
Finance	151,039	1,198,394	1,047,355
	<u>16,604,406</u>	<u>25,066,480</u>	<u>8,462,075</u>
Cashflow	<u>12,390,301</u>	<u>(4,547,025 )</u>	<u>16,937,326</u>

The YTD revenue variance comprises:

- \$6.5m favourable to budget on 28 more residential settlements than YTD budget for FY2014.

## 1.5 Bonds

	<u>Last Year</u>	<u>Last Month</u>	<u>This Month</u>
City of Wanneroo	589,904	1,065,096	982,589
	<u>589,904</u>	<u>1,065,096</u>	<u>982,589</u>

Bonds relate to Stage 2, 6C, 7 & 8 early clearances

## CATALINA - FINANCE REPORT

## 2.0 PROFIT &amp; LOSS

	<u>MTH Act</u>	<u>MTH Bgt</u>	<u>Var</u>	<u>YTD Act</u>	<u>YTD Bgt</u>	<u>Var</u>	<u>PTD Act</u>	<u>PTD Bgt</u>
- Revenue \$ (Stlmts)	10,996,000	419,206	10,576,794	31,249,500	24,689,793	6,559,707	74,475,500	63,552,347
- Revenue \$/lot	229,083	209,603		217,010	212,843		219,692	216,902
- Selling & GST \$	1,080,881	76,446	(1,004,435)	3,343,156	4,748,091	1,404,935	7,961,296	9,711,814
- Selling & GST \$/lot	22,518	38,223		23,216	40,932		23,485	33,146
- Cost of sales \$	4,921,007	185,326	(4,735,681)	13,877,658	11,467,413	(2,410,245)	36,662,004	32,568,903
- Cost of sales \$/lot	102,521	92,663		96,373	98,857		108,148	111,157
- Gross profit \$	<u>4,994,112</u>	<u>157,434</u>	<u>4,836,678</u>	<u>14,028,687</u>	<u>8,474,289</u>	<u>5,554,397</u>	<u>29,852,200</u>	<u>21,271,630</u>
- Gross profit \$/lot	104,044	78,717		97,421	73,054		88,060	72,599
- Gross profit Mgn %	45.42%	37.56%		44.89%	34.32%		40.08%	33.47%
- Special Sites \$	-	-	-	-	-	-	-	-
- Other income \$	812	38,260	(37,448)	10,681	38,260	(27,579)	35,851	41,806
- Sales & Marketing \$	3,671	86,228	82,557	46,165	456,705	410,540	563,723	1,135,982
- Administration \$	46,984	74,790	27,807	207,595	571,495	363,900	730,073	964,736
- Finance \$	-	-	-	-	25,000	25,000	-	65,000
- Contingency \$	-	135,193	135,193	20,364	1,193,653	1,173,289	20,364	1,636,846
- Net profit \$	<u>4,944,270</u>	<u>(100,517)</u>	<u>5,044,788</u>	<u>13,765,245</u>	<u>6,265,697</u>	<u>7,499,548</u>	<u>28,573,892</u>	<u>17,510,872</u>
- Net profit \$/lot	103,006	(50,259)		95,592	54,015		84,289	59,764

Gross profit is \$5.6m ahead of budget due to favorable YTD settlements (\$6.6m or 28 lots ahead of budget).

FY14 YTD net profit is favourable against budget by \$7.5m, mainly due to settlements being ahead of budget and unused contingency budget of \$1.2m.

CATALINA - FINANCE REPORT

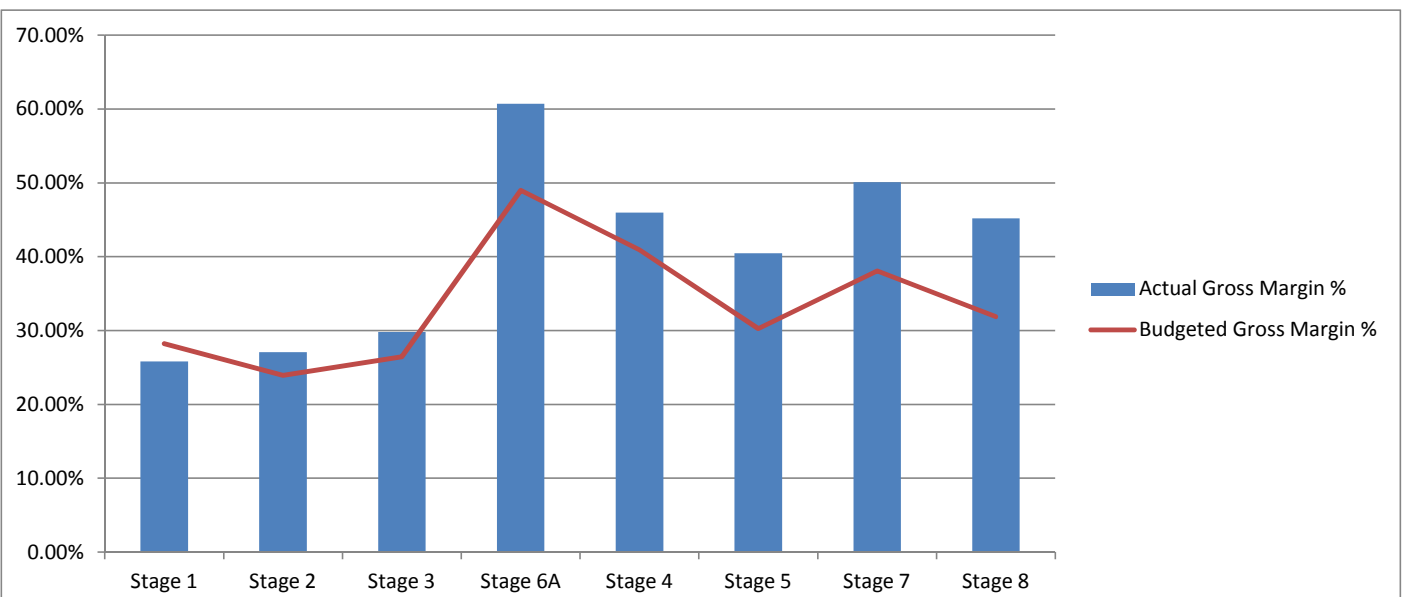
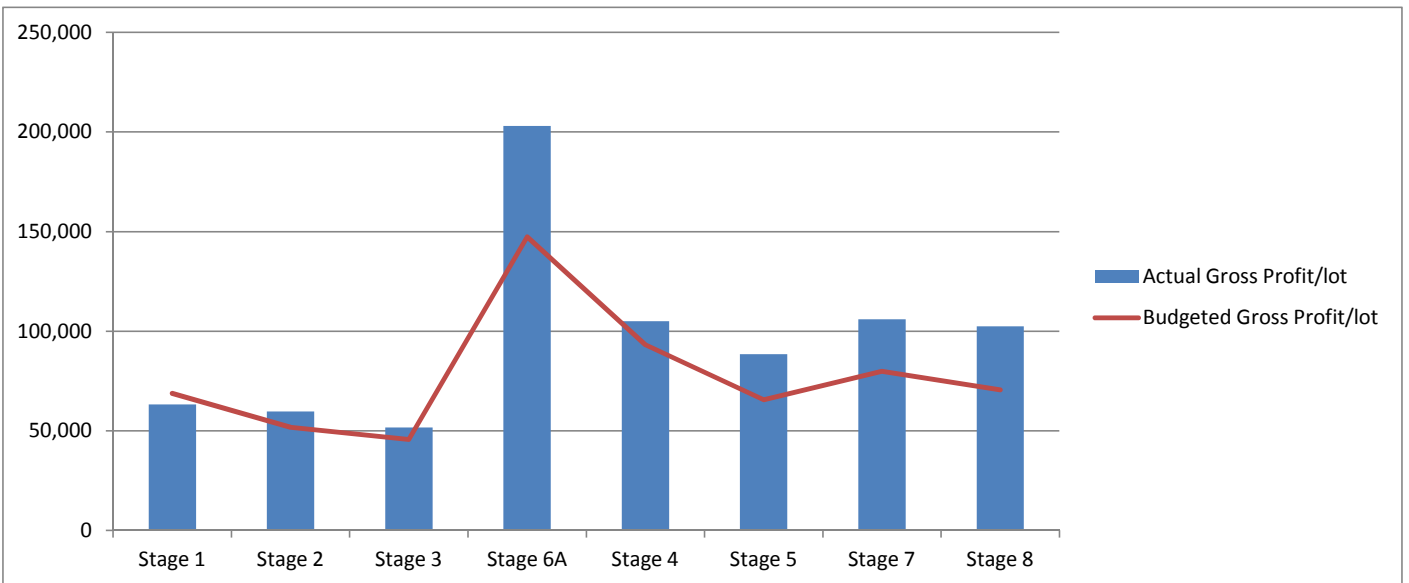
2.1 GROSS PROFIT ANALYSIS

Actual

Stages	Title Issue Date	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Actual Gross	Actual Gross	Actual Gross
				Direct Costs/lot	Profit	Profit/lot	Margin %	
Stage 1	17-Oct-12	8,558,000	244,514	6,347,237	181,350	2,210,763	63,165	25.83%
Stage 2	7-Nov-12	8,157,500	220,473	5,948,705	160,776	2,208,795	59,697	27.08%
Stage 3	14-Jan-13	7,465,000	173,605	5,240,653	121,876	2,224,347	51,729	29.80%
Stage 6A	18-Jan-13	2,675,000	334,375	1,051,254	131,407	1,623,746	202,968	60.70%
Stage 4	20-Mar-13	10,746,000	228,638	5,808,279	123,580	4,937,721	105,058	45.95%
Stage 5	20-May-13	13,774,000	218,635	8,200,280	130,163	5,573,720	88,472	40.47%
Stage 7	31-Oct-13	12,905,000	211,557	6,439,133	105,560	6,465,867	105,998	50.10%
Stage 8	16-Jan-14	10,195,000	226,556	5,587,758	124,172	4,607,242	102,383	45.19%
		<u>74,475,500</u>		<u>44,623,300</u>		<u>29,852,200</u>		

Budget

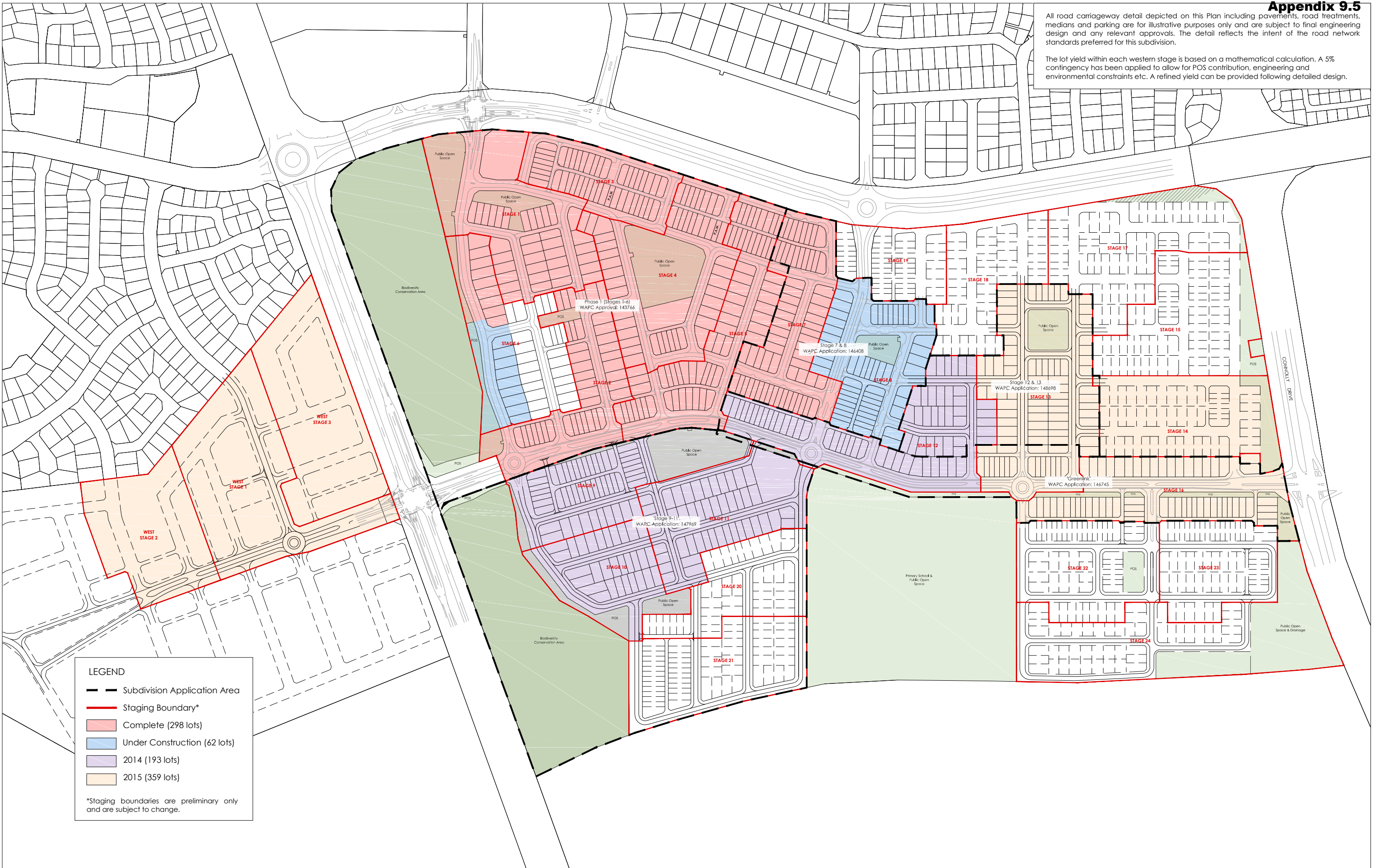
Stages	Budget Version	Revenue	Revenue/lot	Direct Selling & COGS (incl. GST)		Budgeted	Budgeted	Budgeted
				Direct Costs/lot	Gross Profit	Gross Profit/lot	Gross Margin %	
Stage 1	May-12	8,531,000	243,743	6,122,735	174,935	2,408,265	68,808	28.23%
Stage 2	May-12	8,223,999	216,421	6,255,430	164,617	1,968,569	51,804	23.94%
Stage 3	May-12	7,417,500	172,500	5,455,644	126,875	1,961,856	45,625	26.45%
Stage 6A	May-12	2,405,291	300,661	1,226,975	153,372	1,178,316	147,290	48.99%
Stage 4	May-12	10,714,354	227,965	6,331,008	134,702	4,383,346	93,263	40.91%
Stage 5	May-12	14,066,809	216,412	9,808,883	159,906	4,257,926	65,507	30.27%
Stage 7	Jun-13	13,205,000	209,603	8,178,150	129,812	5,026,850	79,791	38.07%
Stage 8	Jun-13	11,725,000	221,226	7,988,239	150,721	3,736,761	70,505	31.87%
		<u>76,288,953</u>		<u>51,367,064</u>		<u>24,921,889</u>		



# Appendix 9.5

All road carriageway detail depicted on this Plan including pavements, road treatments, medians and parking are for illustrative purposes only and are subject to final engineering design and any relevant approvals. The detail reflects the intent of the road network standards preferred for this subdivision.

The lot yield within each western stage is based on a mathematical calculation. A 5% contingency has been applied to allow for POS contribution, engineering and environmental constraints etc. A refined yield can be provided following detailed design.



**LEGEND**

- Subdivision Application Area
- Staging Boundary\*
- Complete (298 lots)
- Under Construction (62 lots)
- 2014 (193 lots)
- 2015 (359 lots)

\*Staging boundaries are preliminary only and are subject to change.



# Appendix 9.6

2 April 2014

Mr Tony Arias  
Chief Executive Officer  
Tamala Park Regional Council  
Unit 2, 369 Scarborough Beach Road  
INNALOO WA 6018

Dear Tony,

### **CATALINA SUSTAINABILITY INITIATIVE PLAN ANNUAL REVIEW AND REPORTING**

The Catalina Sustainability Initiatives Plan (SIP) was prepared by Active Sustainability in September 2011. The SIP provides a detailed analysis of sustainability initiatives which may be considered for implementation at Catalina in order to ensure the projects sustainability objectives are met. The full Council of the TPRC received the SIP in December 2011 and approved implementation of specific elements of the SIP at the same meeting.

#### **Reporting on Sustainability Initiatives Implementation**

The SIP included many sustainability initiatives, many of which are not feasible for installation including light rail and a wind farm. The TPRC is currently implementing the following sustainability initiatives.

- Shared Bore Trial
- Waterwise Landscape Package
- Solar Panel Rebate
- Fibre Optic Service
- Community Development
- Waste Recycling
- Sustainable Housing through Design Guidelines
- Dwelling Densities
- Civil and Landscape Construction initiatives

Each of these initiatives is currently in various stages of implementation, as summarised below:

#### **Shared Bore Trial**

Following completion of the SIP in 2011, third pipe infrastructure was approved to be installed to facilitate the supply of a ground water fed non-potable water supply system into Stages 1, 2 and 3 of the development. While this represented the preferred option of the TPRC, new guidelines published by the Water Corporation increased the infrastructure requirements of a ground water

fed third pipe system which resulted in the project becoming financially unviable. As an alternative the TPRC resolved at the June 2012 Council meeting to undertake a trial shared bore program.

The shared bore trial is being implemented on 72 front loaded lots in stages 4, 5 & 7 as well as on the Lot 248 group housing site in stage 4. The trial consists of installing a bore within an easement on a residential lot. Up to three additional homes also have access to this bore for the reticulation of their garden areas. The owner of the bore is responsible for maintenance of the bore, however can recover shared costs from the other users of the bore.

21 bores servicing the 72 lots have been installed to date, prior to the completion of housing to avoid damage to driveways. Two homes have since been completed, landscaped and connected to the shared bores.

Some purchasers of lots participating in the shared bore trial had concerns when purchasing their lots, particularly in regard to recovering costs from their neighbours for maintenance of the bore, their cost liability if they choose to not use the bore and the potential for iron staining. It is too early to determine whether these concerns will be realised.

The cost to implement the shared bore trial was \$250,000 for the three stages. We are not aware of any competitors implementing this initiative.

In accordance with the TPRC resolution at the August 2013 Council meeting it is recommended that the shared bore trial is continued for stages 4, 5 & 7 with a decision made whether to implement a permanent shared bore scheme following the completion of this trial in approximately December 2014. A recommendation will be made by the SPG at this time.

### **Waterwise Landscape Packages**

In April 2013 the TPRC resolved to appoint LD Total to install waterwise front landscape packages within the Catalina development for a term of 2 years with a 1 year option. Purchasers of lots sold within public releases of the Catalina development are eligible for installation of the front landscape package provided they have completed construction of their home within 18 months for a single storey home or 24 months for a double storey home.

The tender specification included a number of waterwise initiatives within the front landscape package which are listed below;

- fully automated water wise irrigation system (to turf areas and garden beds), including a rain sensor and 'drip circle' to trees;
- Soil preparation, fertiliser application and additives to enhance moisture retention abilities;
- Subsurface irrigation of garden beds to reduce water loss and minimise potential bore water staining.

The cost to implement the Waterwise Landscape packages is approximately \$4,750 + GST per lot for lots contained within the public release, of which approximately \$1,000 per lot relates to waterwise initiatives. The above waterwise initiatives also ensure a reduction in the water usage for each purchaser saving them ongoing watering costs.



The waterwise landscaping packages are being progressively installed with landscaping in stages 1, 3 & 4 underway. As part of this review SPG recommend that the following initiative is also implemented:

- The transplanting of grass trees that will be removed as part of earthworks to front gardens in strategic locations. The costs to relocate these grass trees is in the order of \$450 per tree. On the basis they are installed within 30% of homesites a budget allowance of \$135 per lot across the development is recommended.

It is recommended that the Waterwise Landscape Package is continued for future stages with the above additional initiative implemented.

### **Solar Panel Rebates**

The provision of the solar panel rebate allows purchasers of all lots within Catalina to claim a \$2,000 rebate on the basis they complete their home, install solar panels with a minimum 1.5 kw convertor and claim the rebate within 18 months for a single storey home and 24 months for a two storey home.

To date 15 purchasers have claimed the rebate out of the 62 homes that have been completed indicating a take up rate of 24%. It is noted however that some homes that have recently been completed are still eligible to obtain the rebate, which should increase this take up rate.

The size of the solar systems installed ranges from 1.6 kw to 4.2 kw with the average size being 2.8 kw. The cost of installation for the systems installed to date ranges from \$1,990 to \$4,799 and averages \$3,329 per home, with \$1,329 per installation being funded by the purchasers.

Initial feedback from purchasers is that a 3kw system will provide sufficient power for a small home compared to a 4.5kw to 6kw system for a larger home.

Based on the cost of solar systems installed at Catalina to date it is recommended that the solar rebate of \$2,000 per lot is maintained for future stage releases.

### **Fibre Optic Services**

At it's December 2011 Council Meeting the TPRC resolved to proceed with entering into an agreement with NBN Co. for the supply of fibre optic services through Phase 1 of the Catalina development.

The TPRC proceeded with progressively installing pits and conduits in 2012 and 2013 to allow NBN Co. to service homes in the development. During 2013 NBN Co. provided an NBN service to the Catalina development, with internet services made available to residents in Catalina Stage 1 on 20 June 2013, prior to ten homes being occupied. Since this time an NBN service has been available to all residents when they moved into their homes. This is considered an excellent result in comparison to other developments that had to wait significantly longer for an NBN service to be provided.

NBN Co. has provided a high standard of service to the residents at Catalina. Other than the delays encountered due to the offsite works for stage 1, all homes in subsequent stages have had a high speed internet service available upon their completion. NBN Co. has been proactive in their management of the installation to achieve this goal.

The cost to install pit and pipes for NBN Co. is approximately \$950 per lot. The NBN Co. service provides a high speed reliable internet and phone service to all residents.

It is recommended that the fibre optic service is continued with NBN Co. A separate recommendation has been provided to TPRC in relation to this.

### **Community Development**

Community development activities, including a welcome event and community engagement plan, were completed during the previous 12 months. Community development work for the next 2 years at Catalina is currently being tendered. As the number of residents at Catalina is expected to increase significantly in 2014, it is recommended that community development work is increased over the next 12 months. The completion of the stage 4 park by 31 March 2014 will also provide an excellent location for community events. Further details of the specific activities will be decided once a community development consultant is appointed, but will include sustainability initiatives. The Catalina Welcome Day obtained good feedback from the purchasers who attended.

The cost to complete community development work for the period 1 July 2013 to date was \$8904. It is expected this amount will increase significantly in FYE2015 to approximately \$100,000 per annum with many new residents moving into Catalina. It is recommended that the TPRC continue and increase Community Development at Catalina as a significant number of residents are now moving into Catalina.

### **Waste Recycling (Housing Construction)**

The Catalina Waste Management Program was approved at the February 2013 TPRC Management Committee meeting for a term of 2 years, before being launched to builders in April 2013. The Program is a partnership between the TPRC and Instant Waste Management, a recycling company based in Bayswater.

The Program consists of Instant Waste Management providing recycling bins to participating builders. The builders then place all of their waste in the bins before they are returned to Instant Waste Management's recycling plant where the waste is sorted into 5 different categories for recycling being timber, metal, concrete, sand and plasterboard.

Discussions with Instant Waste Management indicate that the recycled material is being used for recycled bricks, concrete and asphalt with sand being tested and certified for use as clean fill in earthworks and civil works. SPG will investigate opportunities to use these recycled materials in future landscaping works.

The current recycling rate being achieved is 96% by weight and 79% by volume. In order to offset the additional costs to builders the TPRC provides a rebate of \$900 (exc GST) per home to participating builders. Feedback from participating builders is that the rebate is covering costs.

The Program is voluntary in public stages, however is being mandated for builder releases from stage 9 onwards and the 2<sup>nd</sup> display home village to increase the participation rate. It is receiving good feedback from builders who have participated to date and is achieving excellent recycling results.

A total of 55 homes are participating in the Program to date out of a total of 131 homes currently under construction indicating a participation rate of 42%. While 62 homes have been completed it is

noted that most of these homes were generally commenced prior to the implementation of the Catalina Waste Management Program. It is expected this rate could increase from late 2014 once the Program is mandatory for builders participating in Builder releases.

The Program is working well to encourage recycling. It is recommended the Catalina Waste Management Program continues before being re-tendered at the completion of the two year term. Additionally SPG will investigate extending the Program to include the TPRC's civil and landscape contractors.

### **Sustainable Housing through Design Guidelines**

The Catalina Design Guidelines include a number of recommendations for purchasers to reduce the consumption and cost of household energy and water. These recommendations include:

- installing high star rated electrical and water using appliances;
- installing a solar hot water system;
- installing an array of photovoltaic cells;
- incorporating shade devices that allow northern winter sun to living areas and prevent summer sun access;
- passive solar design by locating the dwelling's daytime living areas and their associated openings to a north facing aspect where practical;
- locating windows and doors in habitable rooms opposite each other to allow for ventilation through the dwelling from cooling summer breezes from the south-west.

Some of the above guidelines have been mandated for the Lot 248 group housing site. It is recommended that the Design Guidelines are maintained.

### **Dwelling Densities**

The Catalina development has included a diversity of lot sizes, including a high proportion of medium density lots compared to competing developments. The medium density housing has a number of sustainability benefits including:

- Shorter journeys to facilities and services;
- Greater opportunities for social interaction and support;
- Greater opportunities for provision of social infrastructure;
- Affordable homes creating a greater diversity of residents.

One bedroom and two bedroom apartments have also been planned in Catalina stage 1 as part of a development agreement between the TPRC and a builder. These apartments have been accepted by the market and will provide a new product type which can be developed in future stages.

It is recommended that TPRC continue to provide Medium Density Housing and continue to investigate new product types for affordable housing in light of recent price increases for land.

### **Civil and Landscape Construction**

Prior to the commencement of earthworks at Catalina flora and fauna are relocated from areas of the land that are to be cleared. The grass trees removed as part of the flora relocation are then reused in landscape contracts. As detailed above there is also an opportunity to reuse the grass trees in future waterwise front landscape packages.

Landscape contracts also include the following sustainability initiatives:

- Reuse of limestone boulders and logs from on site;
- Propagation of native seeds taken from site for planting in conservation and open space areas;
- Use of site mulch from trees cleared during earthworks;
- Installation of solar lights in parks;
- Investigations for the blending of topsoil with fill for use in deep fill, rather than removing from site;
- Rehabilitation of Biodiversity Conservation Areas through weed management, fencing and planting of native species while minimising disturbance;
- Planting of native trees along streets and in parks that are a feeding habitat for Carnabys Cockatoo.

SPG recommend that the recycling of materials is further investigated with TPRC's civil and landscape contractors to increase the level of recycling being undertaken.

### **Sustainability Best Practice and Competitor Review**

Catalina is implementing a high standard of environmental initiatives. The initiatives being implemented exceed those at the majority of competing developments in Beaumaris, Burns Beach, Jindalee and Alkimos. Generally sustainability initiatives at these developments consist of community development, retention of vegetation, environmentally friendly front landscaping and a fibre optic service.

Alkimos Beach, a joint venture between Landcorp and Lendlease, has received a 6 leaf EnviroDevelopment rating, being the market leader in both Perth and the north-west corridor. The Alkimos Beach development includes an Energy Smart Home Package which includes the following:

- A cash rebate of \$2,500 upon installation of a 1kW or greater solar panel system;
- A cash rebate of \$1,800 towards energy efficient appliances and light globes;
- A cash rebate of \$1,500 towards a solar hot water system (gas boosted);
- In home energy display valued at approximately \$200.

Trinity Estate, being developed by LWP, offers a sustainable front landscape package and a high level of community development.

We have investigated the option of providing a rebate for a gas boosted solar hot water system. Discussions with builders indicate that the additional cost to install a gas boosted solar hot water system is in the order of \$3,500 per unit more than an instantaneous hot water system. Consideration could be given to providing a rebate for these systems however it is noted it will only cover a small portion of the initial cost. It is recommended further consideration is given to the inclusion of a rebate for a solar hot water system during the EnviroDevelopment accreditation process.

### **EnviroDevelopment Certification**

EnviroDevelopment is an environmental branding system designed to make it easier for purchasers and the development industry to recognise the environmental credential of certified developments.

EnviroDevelopment consists of six different sustainability categories being water efficiency, energy efficiency, ecosystem protection and enhancement, vibrant cohesive sustainable communities, responsible material usage and waste management procedures to reduce the amount of waste to landfill.

The SIP benchmarks the initiatives proposed for implementation in Catalina and recognises the ability to achieve certification in 4 to 5 areas. The maximum number of leaves achieved by any one project in WA to date is 6 with an average of 3.1. Alkimos Beach, a competitor in the northern suburbs, is one of only two developments in WA to have achieved a 6 leaf rating.

A comprehensive list of recommendations for implementation in order to achieve ED certification for 4 to 5 of the 6 criteria is included within the Sustainability Initiatives Plan.

To date a decision has not been made to proceed with EnviroDevelopment certification. Further to this, the UDIA is currently reviewing their EnviroDevelopment rating criteria. It is recommended TPRC await the new EnviroDevelopment policy before proceeding with certification.

While there is a cost involved in certification, SPG believe certification is the only way to benchmark Catalina against competing developments and recommends that TPRC proceeds with certification once the UDIA's policy is finalised, which is expected by June 2014.

### **Summary of Implementation Review**

All sustainability initiatives approved in December 2011 and February 2013 have been implemented and are receiving a sound take-up rate. As the number of residents at Catalina increases the take up rate of many of the sustainability initiatives is expected to increase. In summary SPG recommend the following:

- That the Shared Bore Trial is evaluated in approximately December 2014 following 6 months of operation;
- That the Waterwise Landscape Packages are continued with the following modification:
  - o An additional budget of \$135 per lot to allow for the relocation of grass trees from site into front landscape packages in the high profile locations;
- That the Solar Panel Rebate is maintained at \$2,000 per lot;
- That NBN Co. continue to provide a fibre optic service to all homes at Catalina;
- That Community Development is increased at Catalina;
- That the Catalina Waste Management Program with Instant Waste Management is continued;
- That the Design Guideline sustainability recommendations are continued;
- That medium density housing options are continued into future stages with further investigation into new product to ensure affordable housing is delivered;

- That civil and landscape construction initiatives are continued with investigations undertaken to work with contractors to increase recycling rates;
- That TPRC seek EnviroDevelopment certification following the EnviroDevelopment policy being updated by UDIA.

Please contact me should you have any queries.

Yours sincerely



**BRENTON DOWNING**  
PROJECT DIRECTOR



# Catalina Estate Sustainability Initiatives

## Phase 1 Review and Recommendations Report

17 September 2011



## Executive Summary

This report provides a detailed analysis of the Catalina Sustainability Initiatives Plan (SIP), and recommendations as to the feasibility of the SIP Initiatives to be implemented to address EnviroDevelopment (ED) Standards, with the intention of achieving certification in selected Elements.

The Catalina development area is under the control of the Tamala Park Regional Council (TPRC). The Satterley Property Group (SGP) is the appointed Project Manager for the development delivery, sales and marketing of the Catalina Estate.

On completion Catalina will comprise a predominately residential area with commercial, retail, business, educational and community facilities, and with strong access to public transport and regional facilities.

The TPRC has also committed to incorporating environment sustainability in the land, built form and occupancy and use phases of development. These initiatives are described in the SIP.

This report provides an analysis of the 30 initiatives included in the SIP. A number of initiatives have already been substantially addressed through the approved Local Structure Plan and Stage 1 sub-division. The focus of this report is to provide an analysis of the initiatives in the context of ED with particular emphasis on solar energy and a groundwater fed 3<sup>rd</sup> pipe water system.

The findings of this analysis show that five of six EnviroDevelopment Elements can be achieved, contingent on addressing key recommendations. The five Elements selected are: Energy, Water, Waste, Community and Ecosystem.

Listed below are the recommendations for each of the selected ED Elements.

### EnviroDevelopment - Energy

**Recommendations:** (in addition to the supported initiatives listed in the SIP)

- Incorporate energy efficient lighting on streets and POS, as a minimum as a trial in Stage 1
- Mandate climate responsive passive solar design, such as living area orientation and cross-flow ventilation
- Provide incentives for photovoltaic (PV) systems and direct load control devices
- Promote high efficiency appliances and fixtures through design guidelines
- Investigate potential for direct load control devices installed on household appliances and linked to the local Western Power sub-station
- Implement a Sustainable Living and Behaviour Change Coaching program to address end-user education, continuous improvement and verification of targets

### EnviroDevelopment - Water

**Recommendations:** (in addition to the supported initiatives listed in the SIP)

- Implement a 3<sup>rd</sup> pipe scheme for garden irrigation requirements
- Investigate opportunities to extend the 3<sup>rd</sup> pipe scheme for in-house toilet and laundry uses
- Promote high efficiency fittings and fixtures through design guidelines
- Ensure open space and street planting is predominantly local native and drought resistant
- Implement a Sustainable Living and Behaviour Change Coaching program to address end-user education, continuous improvement and verification of targets



**EnviroDevelopment - Waste****Recommendations:**

- Develop a detailed Waste Management Strategy through the services of a Waste Management Specialist ensure on-site recycling activities through all three phases of development
- Engage a Waste Management Recycler, with proven recycling credentials, to undertake on-site waste management and recycling, including through a central recycling centre on-site for reuse by residents and other builders
- Implement a Sustainable Living program to address end-user education

**EnviroDevelopment - Community****Recommendations / Actions:** (in addition to the supported initiatives listed in the SIP)

- Promote the sustainability vision and apply community development and engagement initiatives to create a strong vibrant and sustainable community
- Ensure community feedback has been considered and incorporated
- Undertake and maintain on-going community engagement, with a focus on sustainable living
- Develop a community education for sustainable living program – with a focus on direct community engagement, behaviour change and demand management, data collection and goal setting to achieve continuous improvement and verify targets
- Ensure inclusion of pedestrian and cycle options such as dedicated and connected paths, secure bicycle park facilities, and public transport options
- Ensure provision of affordable housing product to 10percent of lots/dwellings
- Include indoor environment quality (IEQ) criteria in built form design guidelines

**EnviroDevelopment - Ecosystem****Recommendations / Actions:**

- Undertake a detailed assessment of all approvals (LSP, LWMS), design approaches and initiatives against the ED Ecosystems standards to confirm compliance and proceed toward certification

**Design & Accreditation****Recommendation:**

- Progress fulfilling the requirements for ED certification in Energy, Water, Waste, Community and Ecosystem

**Financial Incentives**
**Recommendations/Actions**

<b>Category / Element</b>	<b>Objective</b>	<b>Initiative</b>	<b>Incentive amount</b>	<b>Rebate Received</b>
Water	20 percent reduction in potable water consumption	Groundwater fed 3 <sup>rd</sup> pipe system	\$3,000 per lot	NA – installed prior to purchase
Energy	20 percent reduction in GHG emissions	1.5kW PV system	\$3,000 on 50 percent of lots	Upon completion of the home
	Peak Load reduction / Behaviour Change Coaching	Direct Load Control Devices / Behaviour Change Demand Management Coaching	\$1,000 on 50 percent of lots or \$2,000 on 25 percent of lots	Upon occupancy of the home

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## Introduction

ActiveSustainability has been appointed to provide sustainability consultancy services for the Catalina development. This role is contracted to the Tamala Park Regional Council (TPRC), and reports directly to the Satterley Property Group (SPG) as Project Manager for Catalina.

## Scope of the Report

The TPRC requires an analysis of the current draft Sustainability Initiatives Plan (SIP) for the Tamala Park Project, now marketed as Catalina, and recommendations as to their feasibility for implementation to address EnviroDevelopment (ED) Standards with the intention of achieving certification in selected categories or elements.

The full scope is to be developed in three phases:

- Phase 1: Review the draft Sustainability Initiatives Plan and provide recommendations
- Phase 2: Revised Sustainability Initiatives Plan
- Phase 3: EnviroDevelopment Certification

Phase 1 will be addressed in the report.

Key tasks for Phase 1 include:

- Review the draft SIP with particular emphasis on benefit of Solar Energy and 3<sup>rd</sup> Pipe Water system
- Investigate minimisation of ecological & carbon impact by promoting initiatives in water sensitive urban design, energy efficiency, recycling accessibility, planning & building design in accordance with targets set in SIP
- Investigate use of alternative water supply
- Provide advice on implementation issues for selected sustainability initiatives and the likely cost and market acceptance

An indicative timetable for the delivery of Phases 1, 2 and 3 to meet the Management Committee timetable and the proposed project program is summarised as follows:

- |   |                           |
|---|---------------------------|
| - Start Bulk Earthworks (subject to SEWPC & WAPC approvals) | end August 2011           |
| - Preliminary review of the draft SIP                       | early September 2011      |
| - Draft Revised Sustainability Initiatives Plan             | 13 September 2011         |
| - Management Committee meeting                              | 22 September 2011         |
| - Start Stage 1 Civil Works                                 | early November 2011       |
| - Preparation for EnviroDevelopment Certification           | October 2011-January 2012 |
| - Stage 1 Titles  | May 2012                  |

## Context and Background

The Catalina development area is under the control of the Tamala Park Regional Council (TPRC) which comprises the following participant local governments: Cities of Joondalup, Perth, Stirling and Wanneroo; and Towns of Cambridge, Victoria Park and Vincent.

The TPRC vision for the development is ‘to create an urban center for choice, sustainability, community and opportunity from the land.’ This vision is to be given effect through a number of key principles, which are:

- Incorporate environmental responsibility
- Enable effective community development and wellbeing
- Foster local economic development and employment opportunities
- Enhance transport (including public transport) opportunities
- Facilitate efficient energy use and production
- Minimise waste and water consumption
- Provide healthy profits for its landowners
- Produce a quality development demonstrating the best urban design and development practice

Located in the northern suburbs of Perth, Catalina is effectively an infill development area: to the immediate north are Mindarie and Clarkson, and to the south Kinross and Burns Beach. The land is bounded by Neerabup road to the north, the Mitchell Freeway reservation and Neerabup Regional Park to the east, the Tamala Park landfill facility to the south and an existing coastal foreshore reserve and the Indian Ocean to the west. This lends the estate immediate access to established community services, amenities, transport routes and infrastructure which can be leveraged to the advantage of the development. Significantly, the Ocean Keys District Centre and the Clarkson Transit Centre are immediately to the north of the site.

The actual site presents good opportunities to address achievement of the project sustainability objectives. As described in the Tamala Park Local Structure Plan the overall land-form supports good community design as well the environment design outcomes in the form of lot shape and orientation to achieve good northern solar access and to take advantage of cooling coastal breezes.

Availability of good quality groundwater for a third pipe system is another benefit which supports Catalina being recognised as a leader in sustainable urban development.

The completed project will contain:

- Total lots                      approximately 2,200 lots
- Dwellings                      2,600 dwellings
- Average density              14.5 dwellings/ha
- Population                    approximately 6,500
- Primary schools              1
- Local/ Village Centres      1
- Mixed use nodes             3

## Sustainability Initiative Plan

SPG in its 'Request for Proposal' submission to the TPRC in May 2010, proposed a suite of sustainability strategies and initiatives (developed by ActiveSustainability) that were consistent with the objectives as described in the Tamala Park Local Structure Plan. The specific initiatives put forward by SPG addressed the full development lifecycle by considering development planning and design, civil works and building construction, and occupancy and use. The initiatives were categorised into Estate Energy, Housing Energy, Water Conservation, Waste Management, Residents & Occupants, Transport and Development Design Assessment & Rating.

The Sustainability Initiatives that were assessed for consideration are as follows:

### Estate Energy:

1. Low energy long life LED lights for use in street lights and open space lighting
2. Uptake of solar energy produced from a proposed centralized solar collector on Mt Tamala
3. Geothermal energy for estate heating and cooling
4. Wind Farm
5. Landfill Methane Gas Extraction

### Housing Energy:

6. Main living area orientation to the north to optimize winter solar penetration and natural lighting
7. Floor plans and location of openings to optimize cross-flow ventilation
8. Target of 6 star AccuRate certification for all dwellings
9. Solar water heating with gas booster or heat pump systems
10. Min 1.5kW grid interactive photovoltaic (PV) array

### Water Conservation:

11. Achieve the water consumption target of 100 kL/person/year, including not more than 60kL/person/year of scheme water
12. Implement a groundwater fed secondary 3rd pipe water scheme for non-potable uses such as irrigation of public and private open space and extending to toilet flushing
13. Provide for future water policy changes to allow the reuse of treated wastewater through a centralized managed aquifer re-charge scheme. In anticipation of this, SPG will ensure the 3rd pipe non-potable scheme is designed to allow easy connection to such a scheme
14. Landscaping and urban design to optimize at source direct storm-water infiltration for groundwater recharge, achieving a net water balance across the development area
15. Best practice in water sensitive urban design such as minimizing hard stand and permeable paving in open spaces, bio-filtration swales, and slotted pipes
16. Implementation of design criteria for ALL single residential dwellings – including minimum 2.5kl rainwater tank plumbed to laundry and also as a supplement to water heating, high efficiency fittings and fixtures, toilets to be a minimum 6 star WELS rated and taps and showers shall be min 3 star WELS rated
17. Waterwise garden and Waterwise controlled irrigation scheme

### Waste Management:

18. Support that construction management criteria will be written into all contracts to ensure resource efficiency, waste minimization, and reuse or recycling of excess materials

19. SPG to build upon existing relationships with building companies to ensure waste management opportunities are optimised

#### Residents and Occupants:

20. The City of Wanneroo operates a verge side pick-up recycling programs that capture and recycle >90percent of household wastes
21. Significant opportunities exist for residents and occupants to reduce their waste through a number of localized and lot based initiatives such as composting of food and green waste for re-use on private or community gardens
22. Establish community garden
23. Provide fiber to the home (FttH)
24. Cede Housing (affordable built form product)

#### Transport:

25. Examine the potential for light rail
26. Examine potential for community bus service
27. Plan for early provision of PTA services

#### Design and Accreditation:

28. Adopt the City of Wanneroo Smart Growth policy and tool, to satisfy all current planning and policy requirements
29. Apply relevant development criteria of the EnviroDevelopment standard for Tamala Park
30. Identify areas within development that would benefit from Site Responsive Housing design

On selection as the successful proponent, the sustainability initiatives were further examined to ensure they met the TPRC objectives for the project and to understand implications for implementation and anticipated costs. All sustainability initiatives from the SPG RfP submission and those included in the LSP were assessed to enable the TPRC to consider which initiatives could be implemented, which were to be excluded and which initiatives require further investigation and costing. This report resulted in the draft SIP which included recommendations and actions for all initiatives.

All initiatives were evaluated and categorized to determine their feasibility for implementation. The four categories used are:

1. Feasible within current development industry best practice
2. Feasible with financial support from the project
3. Require further detailed examination
4. Unfeasible or uneconomic

The results of this review are summarised as follows:

- A total of 30 sustainability initiatives were assessed
- 13 are considered to be feasible to be introduced through design and construction
- 10 can be implemented with financial support from the project
- 5 will require more detailed investigation and cost analysis
- 2 (wind farm & light rail) are not considered feasible for the project

The Tamala Park – Catalina Sustainability Initiatives Plan Report (March 2011) is included as Appendix 1)

### Budget Allowances

Subsequent to the draft SIP, the project cash flow budget provided a financial allowance for the implementation of a number of environmental sustainability initiatives. This included the following:

- \$5,000 per lot for general sustainability initiatives, such as 3rd pipe, rainwater tanks, PV etc
- \$4,500 per lot for water wise landscape package to the front yard
- 2,453 per lot for fibre to the home (FTTH)

All proposed initiatives that require a financial incentive or rebate will need to be costed to fit within the budgeted allowance of \$5,000 per lot.

### EnviroDevelopment (ED) Standards

The review of the draft SIP and recommendations for implementation will be framed in-line with ED Standards with the intention of aiming for certification. This will have the benefit of enabling the TPRC to focus on what initiatives to pursue in order to achieve the desired numbers of “leaves”.

ED represents the current industry preferred development area or estate scale rating tool for WA. It is an independent, voluntary certification system that provides accreditation to land developments that aim to go beyond minimum practice standards and promote more sustainable urban developments. The ED system addresses performance criteria and certification in six areas. These are: Ecosystem, Waste, Energy, Materials, Water and Community.



ED sets the bar above current practice and targets the top 10-20 percent of urban development projects. The objectives of ED are to provide consumer awareness on sustainability, promoting adoption of sustainability principles in project planning, and to communicate sustainability.

As many of the proposed sustainability initiatives for Catalina are consistent with ED criteria, it provides a useful framework by which to determine leading practice initiatives that can be implemented to ensure Catalina is at the forefront of urban development in WA, and will be recognised as such.

The preliminary analysis of the proposed sustainability initiatives against the ED Standards shows that Catalina addresses and can potentially achieve certification in four of the six elements. The Waste Element has potential to be achieved if some proposed initiatives are strengthened.

EnviroDevelopment Element	Potential to achieve certification
<b>Ecosystem</b>	High
<b>Waste</b>	Medium
<b>Energy</b>	High
<b>Materials</b>	Low - Medium
<b>Water</b>	High
<b>Community</b>	High



The Stage 1 preliminary review will provide confirmation of this analysis and advice on required initiatives to achieve certification against each respective Element.

### Analysis Review and Recommendations

The following section provides the analysis of the 30 initiatives identified in the SIP against the requirements of the ED Standards. This analysis is structured using the same categories and in the same order as the initial SIP. These are:

- Estate Energy and Housing Energy
- Water Conservation
- Waste Management
- Residents & Occupants and Transport
- Development Design Assessment & Rating

This analysis provides a statement clarifying the relationship with the ED Standards, a summary of the relevant ED Element, and a detailed discussion of the relevant initiative with regard to addressing the ED performance targets and criteria. Key recommendations are then provided for implementation to achieve ED certification.

<b>ESTATE ENERGY</b>			
<b>Sustainability Initiatives Plan</b>			<b>Relationship to EnviroDevelopment</b>
	<b>Initiative</b>	<b>Recommended Action</b>	
1.	Low energy long life LED street and open space lighting	Investigate with City of Wanneroo for application, possibly as a trial	Energy - Essential criteria is provision of efficient lighting in common areas. Incorporating energy efficient lighting on streets and POS will provide significant leadership in this area
2.	Uptake of solar energy produced from the proposed centralized solar collector at Mindarie Regional Council facility (Mt Tamala)	Defer – no further action at this time	NA
3.	Geothermal energy for estate heating and cooling	Defer – no further action at this time	NA
4.	Wind Farm	Not supported - no further action	NA
5.	Landfill Methane Gas Extraction	Commence discussion to determine possibility	NA
<b>HOUSING ENERGY</b>			
6.	Main living area orientation	Supported - incorporate into DG's	Energy - Key criteria in GHG reduction Community – Key criteria in Indoor Environment Quality
7.	Optimise cross-flow ventilation		
8.	6 Star AccuRate	Supported - incorporate into DG's	NA: 6 star building performance rating will be mandated in the Building Codes of Australia as at 1 May 2012
9.	Solar water heating (SWH) with	Incorporate into DG's	Energy - Key criteria in GHG reduction

	gas booster or heat pump systems	w- incentive	
10	Min 1.5kW grid interactive photovoltaic (PV) array	Incorporate into DG's w- incentive	Energy - Key criteria in GHG reduction

### EnviroDevelopment - Energy

**TARGET:** Implement measures that would optimise energy reduction and achieve 20 percent reduction in greenhouse gas (GHG) production across the development over and above current regulatory requirements.

#### ESSENTIAL ACTIONS:

- Development must consider solar orientation of lots and solar access to buildings.
- Development shows evidence that shielding from hot summer sun; ventilation and topography have been considered and addressed.
- Measures aimed at specifically reducing peak load, including use of off-peak loads at masterplanning level
- Efficient lighting in common areas, such as through utilising solar power or fluorescent fittings, etc
- Demonstrate measures to assist with community education
- Meet requirement for GHG reduction – through a range of options

#### Discussion:

The performance target for the ED Energy Element is to optimise energy reduction and achieve 20 percent reduction in greenhouse gas (GHG) production across the development over and above current regulatory requirements. This includes measures at masterplanning, within the public domain, peak loads and householder education.

A number of these requirements have been adequately addressed, either through planning design and/or through SIP initiatives. These include solar orientation of lots through local structure planning and in the Stage 1 sub-division design; and energy efficient lighting in the public domain – refer SIP Initiative 1.

ED states the requirement for reduction in GHG emissions by 20 percent can be met through a range of options such as renewable energy, energy efficient appliances and fixtures, climate responsive design, and end-user education and demand/behaviour management. Importantly this 20 percent reduction must be met through initiatives that are over and above current regulatory requirements, such as 5 Star Plus which mandates energy efficient water heaters, and 6 star rated building performance, which will become mandatory on 1 May 2012.

SIP Initiatives # 6, 7, 8, 9 and 10 all support improved energy efficiency and reduced GHG emissions from the home, however these require closer scrutiny to determine the most effective initiatives to achieve the 20 percent reduction.

The current average household energy consumption in Perth is approximately 14 - 17 kWh per day, based on an average residential home in Perth of 270m<sup>2</sup>. 14.7 kWh is the baseline value used by EnviroDevelopment. A 20 percent reduction is equal to ~3kWh per day.

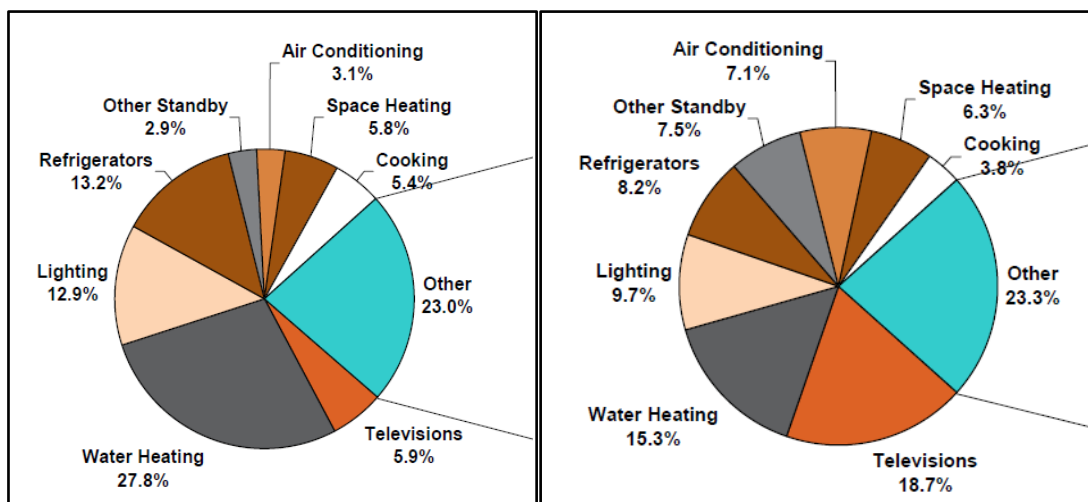
A smaller 1 or 2 bed home, with an area of 170-190m<sup>2</sup> may have a consumption of approximately 10 - 12 units per day. While house size is a key factor in reducing overall consumption, other factors

irrespective of house size are house design, efficiency of appliances and fixtures and lifestyle behavioural habits.

The Catalina Stage 1 sub-division has lots ranging in size of 380-530m<sup>2</sup> (average 455m<sup>2</sup>) for standard residential lot to 225-350m<sup>2</sup> (average 290m<sup>2</sup>) for narrow frontage cottage lots, which are approximately 30 percent of the total. Based on these lot sizes and an average building footprint of approximately 60 percent of lot area, the homes may vary from approximately 170m<sup>2</sup> - >300m<sup>2</sup>.

The passive design features described in SIP Initiatives 6 and 7 will influence energy consumption and demand within the home through reduced lighting and air-conditioning. These are however greatly dependent on user behaviour: i.e. switching off lights and heaters. These passive design features also have beneficial impact on indoor environment quality (IEQ) and occupant health and wellbeing, which are features of the Community element.

There are significant opportunities to reduce energy consumption through high efficiency fixtures and appliances. The table below shows electricity consumption by household appliance in 2000, and projected consumption in 2020. This research found the ‘dramatic recent and forecast rise in energy consumption by televisions represents the largest energy use and percent increase in energy, driven by larger TV sizes, increased viewing hours and greater levels of ownership’ and that ‘further sizeable increases are forecast in air-conditioning through 2010 – 2020.’



Electricity consumption by major residential appliances in 2000

Forecast electricity consumption by major residential appliances in 2020

Building Our Savings: Reduced Infrastructure Costs from Improving Building Energy Efficiency, Institute for Sustainable Futures & Energetics, 2010

The continued increase in TV and air-conditioning use also impacts peak load demand, especially in summer months. Peak load is discussed on the following page.

The SIP Initiatives which directly focus on GHG and energy reduction are PV and SWH systems.

A 1.5kW PV system, which is now the common average size, produces an average 6-8kWh/day over a 12 month cycle, representing between 30 – 50 percent reductions in average household energy use. This therefore implies if approximately 50 percent of homes install a 1.5kW PV array, the GHG reduction of 20 percent across the development will be achieved.

The rapid uptake of roof-top PV in recent years - at the end of 2009/10 there were over 20,000 grid-connected PV systems installed in WA - has been influenced by generous federal government rebates, known as Renewable Energy Certificates (REC's), and also state-sponsored feed-in tariffs. REC's, which amounted to approximately \$8,000 of a 1.5kW PV system, allowed for the installation of between \$2,500 for an entry level standard to \$4,500 for a higher quality system. Both REC's and the feed-in tariffs have recently been rolled back and the market is now readjusting. Even-so, there are entry-level 1.5 kW systems being advertised for \$3 – 3,500.

The average percentage of household energy use for water heating is estimated a 16 percent, however this figure is difficult to verify due to an absence of recent data and SWH's increased market share in WA in recent years. Energy efficient hot water systems, including SHW's are now mandated in the BCA 5 Star Plus provisions. Other allowable systems are a 5-star rated gas hot water system and a heat pump hot water system. The SWH's have the lower GHG co-efficient compared to the other allowable fossil fuelled hot water systems, and are therefore an important form of renewable energy providing a significant benefit in reducing overall GHG emissions.

There are two other criteria to be addressed to meet the ED Energy requirements. These are reductions in peak load demand and demand/behaviour management, both of which are inter-related and are associated with end-user education and also verification of the target reduction.

Peak Load is a critical issue in the supply and cost of electrical energy in WA. Peak load refers to the increased demand for electricity, mainly during peak summer daylight and evening hours, generally 3 – 9pm, which is when families are at home using multiple appliances, including air-conditioning and TV's in summer. This 'peak' demand requirement places significant strain on the electricity grid. Western Power estimates the cost to meet peak load demand for a few hours per day in summer is greater than 80percent of investment cost in supply. Further-more the peak load demand is projected to increase due to increase in the use of TV's and air-conditioners.

Strategies for peak load reduction in residential areas include implementing demand management through direct load control devices fitted to fixtures and appliances such as air conditioners and pool pumps and also end-use behaviour change education programs. The effectiveness of direct load control devices are dependent on wireless transmitters installed on local electricity sub-stations, which requires agreement with Western Power.

Existing successful models for end-use education or sustainable living programs include direct community engagement programs such as Living Smart, and behaviour change coaching support to address household living, energy, water, waste, gardens and healthy lifestyle, as well as data collection and goal setting to achieve continuous improvement and verify targets.

The Behaviour Change Coaching programs, which are operated through a centralised tele-centre using trained behaviour change coaches, provide an efficient cost effective mechanism to address on-going 'end-user' education, including demand management, as well as verification of targets. The verification is a critical ED component to provide sufficient empirical data for annual re-certification.

These are discussed in more detail below under Residents and Occupants / Community.

**Recommendations:** (in addition to the supported initiatives listed above)

- Incorporate energy efficient lighting on streets and POS, as a minimum as a trial in Stage 1
- Mandate climate responsive passive solar design, such as living area orientation and cross-flow ventilation
- Provide incentives for PV and direct load control devices
- Promote high efficiency appliances and fixtures through design guidelines
- Investigate potential for direct load control devices installed on household appliances and linked to the local Western Power substation
- Implement a Sustainable Living and Behaviour Change Coaching program to address end-use education, continuous improvement and verification of targets

WATER CONSERVATION			
Sustainability Initiatives Plan			Relationship to EnviroDevelopment
	Initiative	Recommended Action	
11	Achieve the water consumption target of 100 kL/person/year, including not more than 60 kL/person/year of scheme water	Target to be adopted, however cost impact to be assessed - linked to 12, 13, 16 & 17	Water – Essential criteria. ED requires a 20percent reduction in 'in-lot' potable water use beyond regulatory measures.
12	Implement a groundwater fed 3rd pipe water scheme for non-potable uses such as irrigation of public and private open space and extending to toilet flushing.	Cost impact to be assessed – linked to 16 & 17	
13	Provide for future water policy changes to allow the reuse of treated wastewater through a centralized managed aquifer recharge scheme.	In anticipation of this, SPG will ensure the 3 <sup>rd</sup> pipe non-potable scheme is designed to allow easy connection to such a scheme	
14	Landscaping and urban design to optimise at source direct storm-water infiltration for groundwater recharge	Supported – include in UWMS	Ecosystem – Essential criteria
15	Best practice in water sensitive urban design such as minimizing hard stand and permeable paving in open spaces, bio-		

	filtration swales, and slotted pipes		
16	Minimum 2.5kl rainwater tank plumbed to laundry and water heating, high efficiency fittings and fixtures, toilets min 6 star and taps and showers min 3 star WELS rated.	Cost impact to be assessed – linked to 11, 12 & 13	Water – Essential criteria. Refer discussion
17	Waterwise garden and Waterwise controlled irrigation scheme		Water – Essential criteria require drought tolerant species, and where irrigation is required, that it is from a non-potable source. Refer discussion

**EnviroDevelopment - Water**

**TARGET:** Measures that would achieve at least a 20percent reduction in potable water use beyond regulatory measures and have no potable water irrigation requirements.

**ESSENTIAL ACTIONS:**

- Reduce overall water use by 20 percent beyond regulatory means –water efficiency mechanisms.
- Utilise alternative water sources - rainwater, stormwater, dual reticulation to meet irrigation demand for public open space and common areas of the project or use drought tolerant species which require no
- End user education

Discussion:

The target for the ED water Element is ‘to incorporate measure to achieve at least a 20 percent reduction in potable water use beyond regulatory measures and have no potable water irrigation requirements.

The standards ED provides for addressing this reduction are based on a current household potable water consumption of 559.2L/hh/day or 204kl/hh/year. A 20 percent improvement target therefore equals 447kl/hh/day or 163kl/hh/year (65kl/person/year).

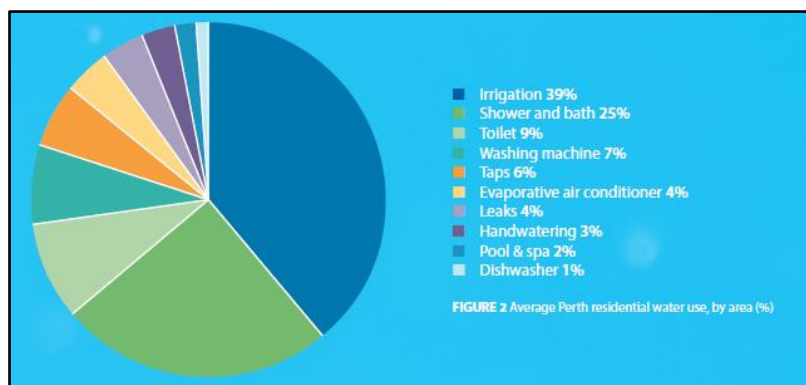
Note that these targets are more onerous than Water Corporation consumption figures, but generally consistent with the State Water Plan targets. The Perth Residential Water Use Study (Water Corporation 2008/09) shows the current average annual residential potable water use is 277kl/hh/year (106kl/person/year). A 20percent reduction below this average equates to 222kl/hh/year, or 85kl/person/year.

Number of people in the house	Water use per year (KL per household)
1	106
2	212
3	318
4	424
5	530
6	636

Average water use per household, Perth Residential Water Use Study 2008/09, Water Corporation

The State Water Plan has a target of 100kL/person/year, including not more than 40-60 kL/person/year scheme water (which is referred to in the LSP Section 13.0 LWMS), and a water reuse/recycling target of 20 percent for fit-for-purpose uses, i.e. irrigation, toilet flushing.

The Water Corporation research also shows that on average 39 percent is consumed for irrigation use, 16 percent for toilet flushing and laundry, and 32 percent for shower, taps, and dishwashing. The remaining 13 percent is consumed for air-conditioning, leaking and hand watering – refer table below.



Average water use by area, Perth Residential Water Use Study 2008/09, Water Corporation

The two key proposed initiatives that will be required to achieve the 20 percent reduction are either a 3<sup>rd</sup> pipe system for irrigation, or a rainwater tank for laundry and toilet flushing.

A 3<sup>rd</sup> pipe irrigation system has a focus on reducing garden irrigation use through the controlled supply of available groundwater. The system can supply the irrigation requirements for front and rear gardens. This will therefore achieve up to a 39 percent reduction in potable water use, based on Water Corporation figures.

The Stage 1 sub-division has a proposed 271 residential lots ranging in size of 380-530m<sup>2</sup> for standard residential lot to 225-290m<sup>2</sup> for narrow frontage cottage lots, which are approximately 30 percent of the total. These lot sizes indicate a significant portion of lots will have quite sizeable gardens with irrigation requirement. Based on these lots sizes and an average building footprint of approximately 60 percent of lot area, the garden area may vary from approximately 120m<sup>2</sup> - >150m<sup>2</sup>.

There is also potential for the 3<sup>rd</sup> pipe system to be extended into the home for non-potable uses including toilet flushing and cold-water laundry use. This approach will require negotiations with the Department of Health to gain acceptance and approvals. It is also influenced by water quality, specifically iron content, which can affect plumbing systems and discolouration of fixtures. If approved, this will add an additional 16 percent reduction to the 39 percent gained from the garden irrigation offset, equalling a potential 45 percent reduction in potable water use, or 48/kL/person/year.

Cost estimates for installation of the 3rd pipe system are \$2,500 - \$3,000/lot: The figures, provided by Total Eden, are based on actual costs for full installation (including pipe work, bores, pumps, weather station, and connection and meters to lots) at SPG's developments at Brighton and Evermore Heights respectively. Total Eden advice that the cost difference between the two estates is due to the economies of scale – Evermore Heights is a 400 lot sub-division while Brighton has in excess of 1000lots. As Catalina will have a projected 2,200 lots, similar economies of scale will be available.

Rainwater in residential sub-division areas is mainly used for in-house use of toilet flushing and cold-water laundry use. There is also potential to use the water as a supplement for water heating.

Approximately 80 percent of Perth's average rainfall falls in winter months between May and September, thereby reducing the amount of water saving over a 12 month cycle. Based on the Water Corporate percentage of total water use, a plumbed rainwater tank will provide potable water offset of less than 10 percent.

Currently Perth based contractors are installing domestic rainwater harvesting systems for cold supply only in the range \$2,500 to \$5,000 for 2,500-3,000-litre systems with a typical cost of \$3,500. These costs are dependent on ease of connection and location within the lot.

Based on these cost estimates and the above water use percentages, the 3<sup>rd</sup> pipe system will achieve and exceed the ED target at a cheaper cost than a rainwater tank. Furthermore, the installation of 3<sup>rd</sup> pipe system will address SIP Initiative 13, which addresses future water policy changes to allow the reuse of treated wastewater through a centralized managed aquifer re-charge scheme.

SIP Initiative 16 refers to high efficiency fittings and fixtures. The BCA 5 Star Plus standards currently require WELS rated fixtures in the home. These are:

- All tap fittings (other than bath outlets and garden taps) minimum 4-star WELS rated
- All showerheads will be a minimum 3-star WELS rated
- All sanitary flushing systems will be a minimum dual-flush, 4-stars WELS rated.

There are opportunities to gain greater efficiencies through more efficient showerheads and toilets, which combined account for 34 percent of water consumption.

The ED Water category requires drought-resistant native landscaping to open space and street verges. This is not directly stated in the current initiatives, but is implied in SIP Initiatives 14 and 15. ED also strongly supports native gardens within lots, which is addressed in SIP Initiative 17.

ED has a requirement for education of occupants/users, and the monitoring of initiatives to verify targets.

The Education requirement is referenced in SIP Initiative # 20 and 21. This program will however need to be extended beyond waste reduction education to a more holistic Sustainability Living program.

Existing successful models for sustainable living include direct community engagement programs such as Living Smart Workshops, and behaviour change coaching support to address household living, energy, water, waste, gardens and healthy lifestyle, and include data collection and goal setting to achieve continuous improvement and verify targets.



The Behaviour Change Coaching programs, which are operated through a centralised tele-centre using trained behaviour change coaches, provide an efficient cost effective mechanism to address on-going ‘end-user’ education, including demand management, as well as verification of targets. The verification is a critical ED component to provide sufficient empirical data for annual re-certification.

These are discussed in more detail below under Residents and Occupants / Community.

**Recommendations:** (in addition to the supported initiatives listed above)

- Implement a 3<sup>rd</sup> pipe scheme for garden irrigation requirements
- Investigate opportunities to extend the 3<sup>rd</sup> pipe scheme for in-house toilet and laundry uses
- Promote high efficiency fittings and fixtures through design guidelines
- Ensure open space and street planting is predominantly local native and drought resistant
- Implement a Sustainable Living and Behaviour Change Coaching program to address end-user education, continuous improvement and verification of targets

WASTE MANAGEMENT			
Sustainability Initiatives Plan		Relationship to EnviroDevelopment	
	Initiative	Recommended Action	
18	Construction management criteria will be written into all contracts to ensure resource efficiency, waste minimization, and reuse or recycling of excess materials	Supported – include in Construction management contracts for civil works and landscaping	Waste – Essential criteria. Requires achieving a 60 percent recycling rate
19	SPG to build upon existing relationships with building companies to ensure waste management opportunities are optimised	Supported – to be negotiated with builders	Waste – Essential criteria. Requires achieving a 60 percent recycling rate

EnviroDevelopment - WASTE
<p><b>TARGET:</b> Development that has implemented waste management procedures and practices which reduce the amount of waste to landfill and facilitates recycling.</p> <p><b>ESSENTIAL ACTIONS:</b> Identify local recyclers, secondary product manufacturers and material streams available to the site + achieve the following requirements:</p> <ul style="list-style-type: none"> <li>- <b>Pre-construction</b> - Site waste management plan, reuse of existing materials, reuse or recycle demolition, land clearing, or civil works materials/products</li> <li>- <b>Construction</b> – Strategies for waste minimisation practices and reuse/recycling waste, waste management plans and policies, on-site recycling facility</li> <li>- <b>Post-construction</b> - Community education on reduce, reuse and recycle, on-site compost, reuse of construction materials by occupants</li> </ul>

The essential requirement of the ED Waste Element is to identify local recyclers, secondary product manufacturers and material streams available to the site to be used in the preconstruction and construction phase.

Waste Management and recycling in the development sector is an area that is often cited as an important sustainability objective, but often fails to achieve meaningful results. While there are many points along the development cycle where failure can occur, the key issues result from not having appropriate expertise to develop and manage a detailed Waste Management Strategy (WMS). To adequately address ED Waste Element criteria requires the development of a detailed WMS to be implemented in the civil works and building construction phases of development. This is best achieved through the services of a Waste Management Specialist with expertise in the design of the program, which would occur in liaison with the civil engineer, landscape architects, civil works and landscape contractors and builders. The core features of the Waste Management Strategy would include:

- For pre-construction civil works:
  - o design of a site waste management plan addressing handling, storing and collection of waste and recyclables
  - o identification of the most suitable waste management skip/bin recycler
  - o communication and training requirements for site staff
  - o an audit estimate of potential land clearing or civil works materials to be recycled or reused on site, and stockpiles of topsoil to be used to best advantage
- For Building Construction:
  - o planning, establishment and operation of an on-site waste management and recycling, including through a central recycling centre on-site for reuse by residents and other builders
  - o liaison with waste management skip/bin recycler to provide records and data relating to material disposed of and/or recycled in a relevant format
  - o Liaison with suppliers to accept return of unused materials for re-use

ED also requires end-user and community education. This is discussed in more detail below under Residents and Occupants.

**Recommendations:**

- Develop a detailed Waste Management Strategy through the services of a Waste Management Specialist ensure on-site recycling activities through all three phases of development
- Engage a Waste Management Recycler, with proven recycling credentials, to undertake and on-site waste management and recycling, including through a central recycling centre on-site for reuse by residents and other builders
- Implement a Sustainable Living program to address end-user education – refer Residents and Occupants below

<b>RESIDENTS AND OCCUPANTS</b>			
<b>Sustainability Initiatives Plan</b>			<b>Relationship to EnviroDevelopment</b>
	<b>Initiative</b>	<b>Recommended Action</b>	
20	The City of Wanneroo operates verge side recycling programs that capture and recycle >90percent of household wastes.	Supported – to be linked to SPG Community Development Program	Waste – Essential criteria for post-construction community education and engagement  Community: Ongoing community engagement and governance; and Community: Place Making
21	Significant opportunities exist for residents and occupants to reduce their waste through a number of localized and lot based initiatives such as composting of food and green waste for re-use on private or community gardens	Supported – to be linked to SPG Community Development Program	Implemented through SPG's Community Development and Engagement Initiatives
22	Establish community garden	Discuss with City of Wanneroo	
23	Provide fibre to the home (FtH)	Supported	Community: Transport – Work from Home criteria
24	Cede Housing (affordable built form product)	Supported – site to be identified in first stage	Community: Place Making criteria for 10 percent affordable house and land product interspersed through the development area
<b>TRANSPORT</b>			
<b>Sustainability Initiatives Plan</b>			<b>Relationship to EnviroDevelopment</b>
	<b>Initiative</b>	<b>Recommended Action</b>	
25	Examine the potential for light rail	Not supported – not further action	NA
26	Examine potential for community bus service	Cost impact to be assessed	Community: Transport – included as an optional criteria  Not considered essential due to the proximity of Catalina to existing transit centres and bus routes with 1km of the development area
27	Plan for early provision of PTA services	Commence discussion with PTA	Community: Transport. Not considered essential due to the proximity of Catalina to existing transit centres and bus routes with 1kn of the development area

### **EnviroDevelopment - Community**

**TARGET:** Development that encourages social capital, community spirit, sustainable local facilities, reduced use of private motor vehicles, a sense of safety/security and accessible and flexible design that welcomes a diversity of people and adapts to their changing needs.

**ESSENTIAL ACTIONS:** Project is driven by a clear vision, with defined environmental, economic and social sustainability goals including measurable performance targets + achieve SIX of the following Eight options:

1. Community Consultation, Planning and Development
2. Ongoing Community Engagement and Governance
3. Transport
4. Place Making
5. Community Prosperity
6. Local Facilities
7. Safe, Accessible Communities
8. Indoor Environment Quality

The objective of the ED Community Element is to ensure strong, vibrant, prosperous, healthy and sustainable communities. Addressing these criteria requires appropriate planning design responses, community engagement and community development (CD), and built form design criteria.

The LSP includes planning design principles and describes various initiatives that address many of the Community Element criteria. These include initiatives to address Transport, Place Making, Community Prosperity, Local Facilities and Safe, Accessible Communities.

SPG's CD and Engagement Program will also adequately address the criteria under Community Consultation, Planning and Development; and Ongoing Community Engagement and Governance.

Listed below is a summary of the key aspects of the Community Element that have and/or will need to be addressed, and a rating of the likelihood to be achieved. Note ED only requires achievement of six of the following eight options.

ED Community Element	Status relevant to ED Community Criteria	Ability to be Achieved
Project Vision aligned to sustainability outcomes	Already addressed through TPRC vision and objectives. Will be enhanced and verified through ED certification	High
Community Consultation, Planning and Development	Already addressed through objectives of the TPRC and embedded through LSP processes Will require additional engagement to ensure community feedback has been considered and incorporated, specifically with regard to recognition of indigenous and post-European cultural heritage e.g. community art	High
Ongoing Community Engagement and Governance	To be addressed through SPG's CD Program. Key activities may include: <ul style="list-style-type: none"> <li>- On-site CD Officer</li> <li>- Community grants</li> <li>- Engagement with and sponsorship of local community and environment groups</li> <li>- Community education - specifically related to sustainable living</li> </ul>	High
Transport	Addressed in the LSP Need to ensure inclusion of pedestrian and cycle options such as dedicated and connected paths, secure bicycle park facilities, and public transport options	High
Place Making	Mostly addressed in the LSP through sub-division design, provision of community facilities, local shops, recreation and diversity of housing types and densities Need to ensure provision of affordable housing product	High

	to 10 percent of lots, and recognition and incorporate local heritage, e.g. through community art	
Community Prosperity	Addressed in the LSP Need to incorporate a local community economic employment plan addressing socio-economic profiles, activities within the development e.g. retail, industrial, commercial, community based economic goals and priorities, employment targets and the job balance ratio	High
Local Facilities	Addressed in the LSP	High
Safe and Accessible Buildings	Some criteria are already addressed in the LSP Additional criteria will need to be addressed though built form design criteria	Low - Medium
Indoor Environment Quality	Some criteria are already addressed in the SIP Initiatives 6 and 7 Additional criteria will need to be addressed though build form design criteria to achieve the IEQ criteria	Medium

### Discussion:

Two key aspects of the ED Standards, which are related to all Elements, are the requirement for education for sustainable living and behaviour change programs, and monitoring to verify achievement of targets, specifically for energy, water and waste.

In effect this would constitute two distinct yet inter-related stages:

- Stage1: Sustainable Living Educational Workshops, conducted periodically (e.g. 1, 2 or 3 annually depending on staged releases and land sales) as part of the CD activities
- Stage 2: On-going Behaviour Change Coaching: direct phone coaching and support conducted over a 2 - 3 year period for interested families, which incorporates data collection, monitoring and verification

A Sustainable Living Workshops program can be developed as a key feature of the CD Program. SPG have successfully trialled and run these program and activities in other developments. This includes the facilitation of 'Living Smart' events at Evermore Heights. Living Smart, an award winning sustainable living program, focuses on behaviour change education and includes specific goals setting to achieve sustained change and monitor progress. A typical program runs for 6 – 7 weeks and includes key focus areas, as listed below:

- Week 1: Thinking Smart, Being Smart
- Week 2: Power Smart
- Week 3: Waste Smart
- Week 4: Water and Gardening
- Week 5: Healthy Homes Healthy You
- Week 6: Move Smart and Building Community
- Week 7: Excursion

The Behaviour Change Coaching Program component is a critical step in ensuring sustained reductions in energy and water consumption. Typically these programs are operated through a centralised tele-centre using trained behaviour change coaches, thereby providing an efficient cost

effective mechanism to address on-going 'end-user' education and behaviour change. The added benefit of the Behaviour Change coaching is that they provide ready access to energy and water consumption figures, which form the baseline data to monitor usage patterns and verify achievement of targets. The verification component is critical to provide sufficient data for annual re-certification. ED has identified the verification of targets as an essential component to be able to qualify for re-certification on an annual basis.

While a costed model will need to be developed, the combined 2 stage approach will simultaneously address key ED criteria.

**Recommendations / Required Actions:** (in addition to the supported initiatives listed in the SIP)

- Promote the sustainability vision and apply community development and engagement initiatives to create a strong vibrant and sustainable community
- Ensure community feedback has been considered and incorporated
- Undertake and maintain on-going community engagement, with a focus on sustainable living:
- Develop a community education for sustainable living program – with a focus on direct community engagement, behaviours change and demand management, data collection and goals setting to achieve continuous improvement and verify targets
- Ensure inclusion of pedestrian and cycle options such as dedicated and connected paths, secure bicycle park facilities, and public transport options
- Ensure provision of affordable housing product to 10 percent of lots/dwellings
- Include IEQ criteria in built form design guidelines

### EnviroDevelopment - Ecosystem

**TARGET:** Development that aims to protect and enhance existing native ecosystems and encourages natural systems and native biodiversity and rehabilitates degraded sites.

**ESSENTIAL ACTIONS:** Thorough site analysis completed to ascertain key features of relevance, including hydrological features, flora, fauna habitats, and landforms + achieve ALL the following requirements:

- Aquatic Ecosystems - Water Sensitive Urban Design (WSUD) principles
- Landform - Retain landform and/or locate on and remediate degraded and contaminated site
- Flora – Site restoration and enhancement and encourage native vegetation communities, and open space contribution
- Fauna – Develop ecological corridors and facilitate native fauna habitation.

### Discussion

The criteria of the Ecosystem Element have largely been addressed through and embedded in LSP and therefore has a high likelihood of achieving certification.

The specific SIP initiatives relating to Ecosystem are SIP Initiative 14 and 15 which will largely address the Aquatic Ecosystem / WSUD requirements.

Listed below is a summary of the key aspects of the Ecosystem Element that have and will need to be addressed, and a rating of the likelihood to be achieved. In addition to the essential action, all four categories are required to be achieved.

ED Ecosystem Element	Status relevant to ED Ecosystem Criteria	Ability to be Achieved
Essential Actions: Thorough site and environmental analysis	Already addressed through the LSP approval process (refer LSP Part Two – Section 13 and 14)	High
Aquatic Ecosystems: including: <ul style="list-style-type: none"> <li>- Protect natural surface and groundwater</li> <li>- Water Sensitive Urban Design (WSUD) principles</li> </ul>	Already addressed through the LSP approval process, including the LWMS (refer LSP Part Two – Section 13), and referred to in SIP Initiatives 14 and 15	High
Land Form: including <ul style="list-style-type: none"> <li>- Retain local and adjacent natural landform</li> <li>- Reduction in cut and fill</li> <li>- Construction to minimise disruption to landform and drainage</li> <li>- Street layout designed and constructed to fit with topography</li> </ul>	Already addressed through embedded in LSP approval process (refer LSP Part Two – Section 13 and 14)  Will need to be confirmed through engineering drawings and specifications	High
Flora <ul style="list-style-type: none"> <li>- Designate and protect sensitive conservation areas</li> <li>- &gt;90 percent of all plants are locally native</li> <li>- maintenance of native flora and habitat</li> <li>- Retention of the existing native trees and locally native plants</li> <li>- Construction management plan with</li> <li>- Contribute green space (POS) in excess of the requirements</li> </ul>	Already addressed through embedded in LSP approval process (refer LSP Part Two – Section 13 and 14)  Will need to be confirmed through landscape design and engineering drawings	High
Fauna <ul style="list-style-type: none"> <li>- Designate and protect sensitive conservation areas</li> <li>- &gt;90percent of all plants are locally native</li> <li>- Maintenance of native flora and habitat</li> <li>- Retention of the existing native trees and locally native plants</li> <li>- Construction management plan with</li> <li>- Retain, enhance and link</li> </ul>	Already addressed through embedded in LSP approval process (refer LSP Part Two – Section 13 and 14)  Will need to be confirmed through landscape design and engineering drawings	High

native vegetation areas of ecological importance - Contribute green space (POS) in excess of the requirements		
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**Recommendations / Actions:**

There are no specific recommendations for Ecosystem. Based on the above analysis, Catalina will meet the criteria to gain ED Ecosystem certification.

- The key action is to undertake a detailed assessment of all approvals (LSP, LWMS), design approaches and initiatives against the ED Ecosystems standards to confirm compliance and proceed toward certification

DESIGN, & ACCREDITATION			
Sustainability Initiatives Plan			Relationship to EnviroDevelopment
	Initiative	Recommended Action	
1.	Apply relevant EnviroDevelopment standards for Tamala Park	Supported – need to determine which Elements for certification	This will be addressed through the scope of this report
2.	Adopt the City of Wanneroo Smart Growth policy and tool, to satisfy all current planning and policy requirements.	Supported – planning consultant to be briefed	Relevant to all ED Elements Addressing the ED Elements will overwhelmingly satisfy the objectives of Smart Growth, which have also been addressed through the LSP
3.	Identify areas within development that would benefit from Site Responsive Housing design	Cost impact to be assessed for land area west of Marmion Drive	Ecosystem: Landform criteria

**Discussion:**

No specific discussion is required as the process of certification is addressed though the scope of this consultancy. The outcome is benchmarked and effectively measured by addressing the selected ED Elements and achieving certification.

**Recommendation:**

Progress fulfilling the requirements for ED certification in Energy, Water, Waste, Community and Ecosystem



## Financial Incentives

The current project cash flow budget has allowed for a \$5,000 allowance for the implementation of selected environmental sustainability initiatives which will be required to support achieving ED criteria, specifically for energy and water targets.

All proposed initiatives that require a financial incentive or rebate will need to be costed to fit within the budgeted allowance of \$5,000 per lot.

Based on the discussion and recommendations included in the Analysis Review and Recommendations section, the following is recommended:

Category / Element	Objective	Initiative	Incentive amount	Rebate Received
Water	20 percent reduction in potable water consumption	Groundwater fed 3 <sup>rd</sup> pipe system	\$3,000 per lot	NA – installed prior to purchase
Energy	20 percent reduction in GHG emissions	1.5kW PV system	\$3,000 on 50 percent of lots	Upon completion of the home
	Peak Load reduction / Behaviour Change Coaching	Load Control Devices / Behaviour Change Demand Management Coaching	\$1,000 on 50 percent of lots or \$2,000 on 25percent of lots	Upon occupancy of the home

### Potable Water Reduction:

To address the Water target of a 20 percent reduction in potable water, the groundwater fed 3<sup>rd</sup> pipe system it is recommended, as this system can achieve a 39 percent reduction (and a potential 45 percent reduction) below current averages.

Based on data from similar systems, an allowance of \$3,000 per lot will be sufficient to cover cost of installation to all lots in the development area.

### GHG Reduction:

To address the Energy target of a 20 percent reduction in GHG emission, a 1.5kW PV system is recommended. Based on the analysis in the Energy section, if 50 percent of lots/dwellings were to install a 1.5kW PV system, the 20 percent target reduction in GHG emission can be achieved.

The logic for nominating 50 percent of lots is that this can allow a larger financial incentive - e.g. up to \$3,000 - than if 100 percent of lots were targeted which would only allow an incentive of \$1,500. The larger incentive will be critical in attaching a greater uptake of PV systems which is critical to achieve the overall GHG reduction.

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**Peak Load Management and Behaviour Change Demand Management Coaching:**

Direct Load Control Devices installed on selected appliances such as air-conditioners have been identified as providing a significant peak load reduction, a key ED – Energy criteria.

Similarly Behaviour Change Coaching is a key initiative for supporting sustained behaviour change as well as providing a simultaneous means of data collection to verify energy and water usage pattern in the home.

An incentive of \$1,000 on 50 percent of lots/dwellings (or \$2,000 on 25 percent of lots/dwellings) for the installation of load control devices as an enticement for attaching a sufficient number of new occupants to a Behaviour Change Coaching program is recommended.

As stated above, the installation of direct load control devices will need to be negotiated with Western Power; however the recommended approach provides a strong case to this agency, the State Government, as well as the member councils of the TPRC to support an innovation approach to energy and GHG reduction.

# Appendix 9.7

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# CATALINA

## ANNUAL MARKETING PLAN

(MARCH 2014)



### Satterley Team

Nigel Satterley – CEO  
Brenton Downing – Project Director  
Anthea Halliday – WA Marketing Manager  
Hollie Tucker – Project Marketing Manager





## INTRODUCTION

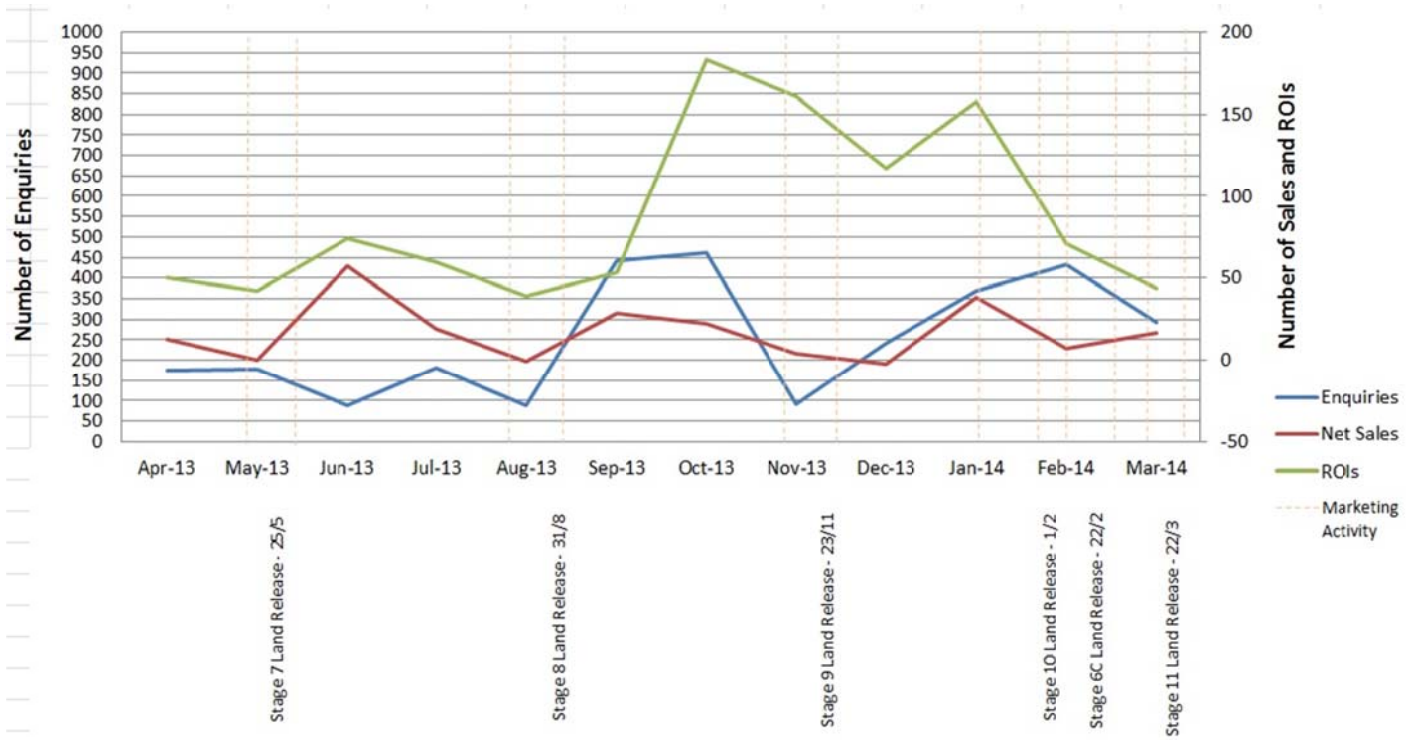
This is the Annual Marketing Plan for Catalina Estate dated April 2014 – March 2015.

The purpose of the Annual Marketing Plan is to provide a review of 2013-14 marketing activity and results, and a strategic overview and timeline of all marketing activities planned for this period. The activities outlined in this document relate to the key marketing objectives for Catalina Estate which are to be achieved from April 2014 through to March 2015 with the objective of providing sales with effective marketing activity and tools in order to meet FYE15 sales targets. All marketing activities are subject to approval by the Tamala Park Regional Council (TPRC) and the achievement of the project timeline.

The Annual Marketing Plan for May 2014 –April 2015 includes:

1. 2013-14 Review
2. Key Marketing Objectives
3. Key Marketing Activities
4. FYE15 Marketing Budget

## 2013 – 14 MARKETING ACTIVITY, ENQUIRIES AND SALES



## SALES SUMMARY – CATCHMENT AREA

The map below is based on the Land Sales database of Purchasers from April 2013- March 2014 for Catalina. Additional Market Research is proposed for FYE15 to further profile these findings and learn of Catalina’s buyers circumstances.

In summary, 44% of Purchasers live within a 10km radius of Catalina, 29% live within a 20km radius and 27% live 20km or more from Catalina.

\*Results skewed by Builders and Department of Housing Purchases.



## KEY MARKETING OBJECTIVES

Marketing Objectives
1. Lead Generation & Achieving Sales Targets: Generate qualified leads to the sales office with the objective of meeting the FYE15 sales target of 250. a. Provide high quality sales tools and assist in sales conversion communications b. Maintain presence in the market
2. Deliver and promote the opening of the Central Precinct Permanent Sales Office
3. Promotion of Display Village 1
4. Reinforce and capitalise on the strength of TPRC and Satterley partnership
5. Leverage strength of Satterley brand and unique marketing advantages
6. Maintain a presence in the competitive (northern corridor) marketplace
7. Leverage site assets: a. Coastal proximity b. Proximity to readily accessible infrastructure and amenities c. Wide choice of lots d. Sustainability e. Established and future public open spaces
8. Develop strategy and brand for the Western and Eastern cells

Key Initiatives	Related Strategy	Budget												
<p><b>1. Estate campaigns</b></p> <p>a. Align with stage releases b. Maintain a presence in the market c. 24 home display village d. Permanent sales office – Central Precinct</p> <p>The purpose of the Estate Campaigns is to raise the profile and increase awareness of Catalina Estate and its land releases by maintaining a presence in the marketplace.</p> <p>Current sales at Catalina have proven successful, and therefore the frequency of marketing activity is recommended to be maintained. 2013 saw new competitors emerging in the Northern Suburbs and an increase in the frequency of marketing campaigns is recommended in the event that a reduction in lead generation and sales occurs.</p> <p>Below lists the planned stage releases within the 12 month period April 2014 to March 2015:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="background-color: #0070C0; color: white;">Stage</th> <th style="background-color: #0070C0; color: white;">Date</th> <th style="background-color: #0070C0; color: white;">Number of Lots</th> </tr> </thead> <tbody> <tr> <td>12A</td> <td>May 14</td> <td>23</td> </tr> <tr> <td>12B</td> <td>July 14</td> <td>23</td> </tr> <tr> <td>6B</td> <td>Aug 14</td> <td>Display Village</td> </tr> </tbody> </table>	Stage	Date	Number of Lots	12A	May 14	23	12B	July 14	23	6B	Aug 14	Display Village	<ul style="list-style-type: none"> <li>• Lead generation</li> <li>• Achieve sales targets</li> <li>• Positioning</li> <li>• Awareness</li> <li>• Catalina Brand</li> </ul>	Advertising & Direct Marketing
Stage	Date	Number of Lots												
12A	May 14	23												
12B	July 14	23												
6B	Aug 14	Display Village												



<table border="1"> <tr><td>13 Builders</td><td>Sept 14</td><td>26</td></tr> <tr><td>13A</td><td>Sept 14</td><td>29</td></tr> <tr><td>13B</td><td>Oct 14</td><td>28</td></tr> <tr><td>14 Builders</td><td>Dec 14</td><td>24</td></tr> <tr><td>14</td><td>Dec 14</td><td>36</td></tr> <tr><td>15A</td><td>March 15</td><td>35</td></tr> <tr><td>15B</td><td>April 15</td><td>34</td></tr> </table>	13 Builders	Sept 14	26	13A	Sept 14	29	13B	Oct 14	28	14 Builders	Dec 14	24	14	Dec 14	36	15A	March 15	35	15B	April 15	34		
13 Builders	Sept 14	26																					
13A	Sept 14	29																					
13B	Oct 14	28																					
14 Builders	Dec 14	24																					
14	Dec 14	36																					
15A	March 15	35																					
15B	April 15	34																					
<p>Public advertising is to occur a minimum of 7 days prior to a release, advising to the public that the release is to occur.</p> <p>Media channels will be recommended at that time based on research and recommendations presented by the media buyer relative to Catalina’s target markets.</p> <p>For each stage release it is recommended the following media channels are considered:</p> <ol style="list-style-type: none"> <li>a. Local press advertising – targets areas surrounding the estate and demonstrated sales catchment is cost effective and provides good PR opportunities</li> <li>b. Major press advertising – recommended for state-wide reach. Targeted real estate features are recommended and have longevity</li> <li>c. Online advertising – a growing market, which provides the ability to target specific suburbs and has shown increasingly effective results to date</li> <li>d. EDM – to Catalina Registration of Interest database</li> </ol>																							
<p><b>2. Advertising Messaging Refresh</b></p> <p>Refresh current advertising concept, to remain aligned with the current Catalina branding and style guide, however to ensure cut-through.</p> <p>New messaging to communicate Catalina’s current position to the marketplace, in line with the site assets listed in <i>Marketing Objectives</i>.</p> <p>An update of the estate photography is highly recommended to take place as part of this advertising refresh.</p>	<ul style="list-style-type: none"> <li>• Lead generation</li> <li>• Meet sales targets</li> <li>• Positioning</li> <li>• Awareness</li> <li>• Catalina Brand</li> </ul>	<p>Advertising, Direct Marketing &amp; Photography</p>																					
<p><b>3. Marketing collateral</b></p> <ol style="list-style-type: none"> <li>a. Brochure and presentation folder reprints as required (aligned with new refreshed messages and photography)</li> <li>b. Estate Map and Amenities flyer reprints</li> </ol>	<ul style="list-style-type: none"> <li>• Positioning</li> <li>• Satterley /TPRC Brand</li> <li>• Lead generation</li> </ul>	<p>Estate Brochures &amp; Folders</p>																					

<p>c. Sales map creative review</p>		
<p><b>4. Display Village 1</b>  a. Promote the Display Village  b. Display Village Guide</p>	<ul style="list-style-type: none"> <li>• Positioning</li> <li>• Lead generation</li> <li>• Awareness</li> <li>• Catalina</li> </ul>	<p>Signage  Advertising &amp; Direct Marketing</p>
<p><b>5. Market Research</b>  Catalina is at the stage where further market research is required in order to establish the following:</p> <ol style="list-style-type: none"> <li>a. Review the catchment area to ensure the current areas for advertising are still applicable and whether there are any additional suburbs we should be targeting; and</li> <li>b. Identify key demographics of Catalina’s purchasers and prospective purchasers and their reasons for purchasing.</li> </ol> <p>Three recommended market research pieces that will be beneficial in establishing the above are:</p> <ol style="list-style-type: none"> <li>a. Customer Tracker Buyers Research</li> <li>b. Geomapping Update and Analysis</li> <li>c. Profiling of Geographical Draw Area and Analysis</li> </ol> <p>Other optional market research pieces for consideration include:</p> <ol style="list-style-type: none"> <li>a. Quarterly Sales Update</li> <li>b. Annual Sales Report</li> <li>c. Dashboards</li> </ol>	<ul style="list-style-type: none"> <li>• Targeting of marketing activity so as to achieve effective lead generation and sales targets.</li> <li>• Required for Western and Eastern Cell Marketing Strategy development and branding activities to identify target markets and key demographics</li> </ul>	<p>Strategy, Research and Branding</p>
<p><b>6. Central Precinct Permanent Sales Office</b>  a. Interior Design and Fit-out  b. External and internal directional signage  c. Promotion via EDM and website and new address on any press advertising</p>	<ul style="list-style-type: none"> <li>• Positioning</li> <li>• Lead generation</li> <li>• Awareness</li> <li>• Catalina Brand</li> </ul>	<p>Sales Office &amp; Builder Relations</p>

## MARKETING EXPENDITURE

Category	Budget Plan FYE 14	Description	Budget
<b>Brand Development</b>	Market Research	<ul style="list-style-type: none"> <li>Customer Tracker set up, ongoing management, buyer interviews</li> </ul>	<b>\$100,000</b>
	Photography	<ul style="list-style-type: none"> <li>Geomapping update and analysis</li> <li>Profiling of geomap draw areas</li> <li>Quarterly Sales Update</li> <li>Annual Sales Report</li> <li>Marketsight Dashboards</li> </ul>	
		<i>Western &amp; Eastern Cell</i> <ul style="list-style-type: none"> <li>Commission research</li> <li>Marketing strategy development</li> <li>Branding development</li> </ul> <b>Revised Estate Photography</b> <b>Image Rights extension 24 months</b>	<b>\$52,000</b> <b>\$15,500</b>
<b>Sales Office and Builder Relations</b>	Sales Office Fit-out	Interior Designers Fees (contingency for additional scope of works)	<b>\$10,000</b>
	Sales Office Internal Signage	Signage reskins	<b>\$10,000</b>
	Builder Relations / Events	Builders function for Recycling Program, Marketing Contribution to Display Village Promotion	<b>\$12,000</b>
<b>Estate Brochures and Folders</b>	Sales Brochure Reprints		<b>\$30,000</b>
	Folders		<b>\$15,000</b>
	Display Village Guide	\$12,00 rolled over from FY14	<b>\$20,000</b>
	Map & Amenities Flyers	Updates and reprinting as required	<b>\$15,000</b>
	Sales Maps	250 lots at \$70 per lot, \$500 for 4 web plans	<b>\$20,000</b>
<b>Advertising and Direct Marketing</b>	Estate Advertising	Sales Release Media & Production	<b>\$70,000</b>
	Other media - Special Features	Includes advertising in Weekend West or Sunday Times Feature Lift outs including Land Report, Property Report, River or Sea Feature, Coastal Living Feature, First Home Buyers Feature - such informative reports	<b>\$20,000</b>

		are targeted and have longevity.	
	Other Advertising Production	Production of additional advertising outside of the release periods, for example special features, builder release advertisements.  Including pre-promotion and launch of Western Cell which is scheduled for its first release in June 2015.	<b>\$20,000</b>
	Display Village promotion - media & production	Advertising campaign inclusive of media and production to advertise the display village and support builders. Campaign may include major and local press advertising, online advertising, and direct mail to catchment area.	<b>\$30,000</b>
<b>Signage</b>	Estate Signage	Signage maintenance after implementation of signage strategy in FY14.	<b>\$20,000</b>
	Maintenance	Signage maintenance after implementation of signage strategy in FY14.- includes allowance for storm damage, vandalism and general wear and tear to signs and banner mesh requiring repairs, re-skinning or reattaching to fence; flag rotation quarterly	<b>\$30,000</b>
<b>Website</b>	Retainer		<b>\$2,100</b>
<b>Promotions</b>	Special Promotions	Rolled over from FY14 for estate promotions	<b>\$50,000</b>
<b>Public Relations</b>	Public Relations	PR Consultant Fees, Media Monitors, PR Photography Allowance	<b>\$10,000</b>
<b>Sales and Marketing Contingency</b>	5% contingency on all items		<b>\$27,580</b>
<b>Total</b>			<b>\$579,180</b>

## APPENDICES

## SWOT ANALYSIS

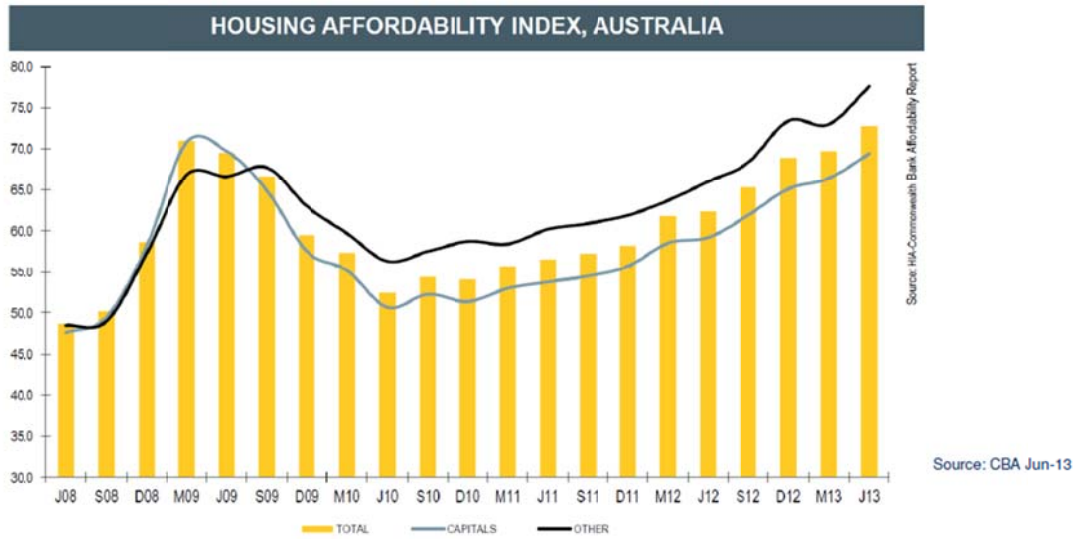
Weaknesses	Threats
<ul style="list-style-type: none"> <li>• Limited amenities within the estate</li> <li>• Lack of beach access</li> <li>• Difficulty in developing beach access</li> <li>• Public transport is limited</li> <li>• Landfill site in close proximity</li> </ul>	<ul style="list-style-type: none"> <li>• Buyer perception of West vs. East Marmion</li> <li>• Value comparisons in the area</li> <li>• Risk averse project owners</li> <li>• Threat of loss in advertising market share in Northern Corridor due to many other competing estates</li> <li>• Market volatility - threat of future interest rate rises reducing affordability</li> <li>• Less migration to the area</li> <li>• Negative perceptions of Clarkson area transferred to Catalina</li> <li>• High level of rental housing</li> <li>• Environmental impacts from Tamala Park landfill</li> </ul>
Strengths	Opportunities
<ul style="list-style-type: none"> <li>• Proximity to the beach</li> <li>• Urban infill land, verses frontier development</li> <li>• Access to surrounding amenities such as Mindarie Marina, train station, Ocean Keys</li> <li>• Future planned amenities</li> <li>• Satterley brand association with the development</li> <li>• Innovations (once finalised)</li> <li>• Great accessibility to Clarkson Train Station</li> <li>• Proximity to Perth CBD (compared to other northern corridor competitors).</li> </ul>	<ul style="list-style-type: none"> <li>• Breadth of project creates diversity – 2.4km.</li> <li>• Capitalise on the existing amenities in surrounding suburbs</li> <li>• Wide mix of housing density options</li> <li>• “Bush Forever” to the south of the development</li> <li>• New sales office located near Marmion Ave</li> <li>• FHB grant change</li> <li>• Baby boomers moving into retirement</li> <li>• More projects planned for the Catalina area (Alkimos, Yanchep) - increase in both traffic and attention to area</li> <li>• Early establishment of neighbourhood activity centre, childcare site along with other community services</li> </ul>

**Trading Conditions –**

Following strong sales results and price growth in 2013, the most recent release has shown the market has softened in recent months. For example the stage 11 release in March 2014 received 13 registrations compared to 37 registrations received for the stage 10 release in February 2014. Notwithstanding the most recent sales result is still sound and would appear to indicate a return to normal market conditions, following a shortage of supply in the northern corridor in the preceding 12 month period.

**Outlook for Residential Property Affordability**

*(extract from the Catalina Strategic Marketing Plan 2014 p.20 Item 3.2)*

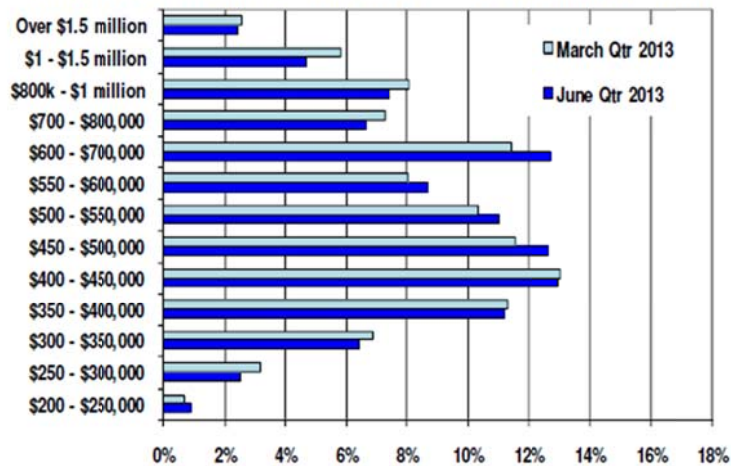


Affordability continues to improve in line with interest rate cuts made over the 2012 calendar year and the two further cuts made in May & July 2013.

**Outlook for Residential Property – Western Australia**

PERTH HOUSE SALES PRICE DISTRIBUTION

Source: Landgate/REIWA



- The median house price in Perth, excluding Mandurah/Murray, was \$508,000 as at September-13.
- Overall, the highest percentage of sales made sit in the \$400k – \$450k price range, with first home buyers making up 29% in the housing market.
- Trade-up activity in the \$450k - \$700k price ranges shows consumer confidence has lifted, with the \$600k - \$700k range showing a marked increase since the March-13 quarter

**Market Drivers – Western Australia**

- The market remains underpinned by ongoing investment in mining and energy, albeit this is starting to decline.
- Population growth still robust at 82,600, driven by a 19% increase in overseas migration when compared to the previous year, and ongoing strong interstate migration.
- Non-mining investment is starting to decline of the highs in 2012.
- Resource sector investment still strong, \$142 billion worth of significant resource projects either under construction or awaiting a final investment decision (as at Sep-13). Workforce requirements for the construction of these projects is expected to peak in 2014. From 2015, the decline in the construction workforce is expected to be partially offset by increased workforce requirements for operational staff.
- State and Federal Government construction and infrastructure projects continue to boost the construction industry as a result of population growth.
- Increased consumer confidence is set to underpin the WA economy, with consumer spending expected to increase by 5% over the 2013/14 financial (CCI media statement 24 Apr-13).
- Constrained land supply, slow state and federal development approvals and tight bank funding conditions resulting from Basel III compliance.
- Residential land sales remain robust across all growth corridors and we are seeing a small increase in rental vacancy rates.

As a result of the above, buyers are becoming less cautious and are more willing to take on larger debt and purchase their own home. Catalina has seen this improvement in the market by the high level of enquiry and traffic to the sales office, which has resulted in a high level of sales and regular turnover of stock.

The trading conditions are conducive to meeting budget realisations including the assumed escalation rates within the approved cashflow.

# Appendix 9.8



**TAMALA PARK – CATALINA**

**LOT SALE & RELEASE STRATEGY**

**MARCH 2014**

## **Introduction**

In February 2013, the Council of the TPRC approved the Lot Sale and Release Strategy for Catalina which outlined a sales strategy for the remaining lots zoned Urban in the Central Cell and the initial stages of the Western Cell. Sales releases since February 2013 have included:

- Sales directly to the public – online release process.
- Builder allocation of medium density lots under put options – tender process.
- The release of 2 group housing sites – tender process

This document outlines the sales and lot release strategy proposed by the Satterley Property Group for approval by the TPRC for Stages 12 to 15 in the central cell and stage 25 in the Western Cell, being the sales releases planned up to 30 June 2015. We have not provided a strategy beyond this date as it is likely the strategy would change prior to implementation.

Set out below is a recommended process for:

- Future builder releases.
- Future public releases.
- Lot release and staging strategy up to June 2015.

The strategy is contingent on timely development approvals, WAPC subdivision approval and sufficient sales being obtained.

## **Medium Density Builders Allocation – Builder Release**

In February 2013 the TPRC Council approved the tender procedure for medium density lots. This process required suitably qualified building companies to tender for packages of medium density lots, with builders being ranked in accordance with the approved selection criteria with the highest ranked builder receiving the first selection. The tender procedure represents a fair and efficient methodology for the sale of medium density lots and has yielded good results for all releases that have occurred to date. It is recommended to continue with this procedure for future builder's releases. It is proposed to use the previously approved selection criteria to assess tenders. Additionally where mandatory 2 storey lots are included as optional lots within an allocation it is proposed priority is given to builders who include the 2 storey lots in their allocation.

In February 2013 the TPRC Council also approved that the option period be set at 12 weeks from approval of the allocation or the estimated date of titles, whichever is later. In December 2013 the TPRC Council amended the approved Put Option Period for mandatory 2 storey lots to 16 weeks from entering into the Put Option. Since February 2013 all lots allocated to builders were sold to the public

within the initial 12 week put option period. On this basis it is recommended the Put Option periods are maintained with a slight variation to the wording.

It is recommended that the following Option Period is set for medium density lots:

- Put Option Commencement Date: 10 weeks following acceptance of the Put Option Agreement or issue of titles, whichever is the later.
- Put Option Expiry Date: 2 weeks following the Put Option Commencement Date

It is recommended that the following Put Option Period is set for mandatory two storey lots:

- Put Option Commencement Date: 14 weeks following acceptance of the Put Option Agreement or issue of titles, whichever is the later.
- Put Option Expiry Date: 16 weeks following the Commencement Date

The lots proposed to be sold under the medium density tender process have been selected in order to achieve a uniform streetscape in medium density precincts, and capitalise on the costs efficiencies of constructing multiple dwellings, leading to increased affordability to end users.

### **Public Release**

The sale procedure – Private Purchaser Lots, was approved by the TPRC Council in February 2013 with amendment in April 2013 to revert to the online sales release process, due to the strong demand for the stage 7 release. A revised procedure was also approved by the TPRC in June 2013 for the stage 6C release which set a reserve price and allowed purchasers to submit a higher price for premium lots with ocean glimpses.

To date all public releases have utilised the online release procedure which has yielded positive sales results. The procedure has also overcome the risk of purchasers camping out at the Catalina development during periods of high demand and is a transparent process that is easily audited. Many competitors are now using similar online release processes.

It is proposed the internet release process continues in the following manner:

- Public advertising to occur a minimum of 7 days prior to a release, advising the public that a release is to occur. Public advertising may utilise a variety of mediums, including state wide press, local press, website, direct mail or signage.
- Registrants will be able to register online for a 48 hour period from the commencement of the release. Registrations will include the registrant nominating three preferred lots and whether they will be purchasing by cash offer or subject to finance;
- Registrants will then be allocated a lot based:
  - firstly by the finance status of the registration. Cash / unconditional offers will be given preference over offers subject to finance;

- secondly by the time of registration. The earlier the registration, the higher the preference.
- Subject to availability registrants will be allocated a lot in accordance with their preferences;
- Following the completion of allocations, any registrants who were not allocated a lot will be offered first preference of any remaining lots, before the remaining lots are released to the market;
- Purchasers are required to sign an offer and acceptance within 7 days of being notified of their allocation.

**Lot Sale & Release Plan**

The lot release staging and sales method is represented on the attached plan (Annexure A) to provide an overview of the strategy to be employed.

A summary of this information is provided on a Stage basis as listed below. It is noted that detailed subdivision design has been completed over stages 6B, 12 & 13 only, with preliminary design available for the balance of the stage releases considered below. Release yields and lot typologies are therefore subject to detailed design and statutory approvals, which may lead to some variations in staging boundaries and yields.

**Stage 12A**

<b>Date of Release</b>	<b>May 2014</b>
Forecast Stock	23 lots
Forecast Title Date	December 2014
Method of Sale	Public Release

**Stage 12B**

<b>Date of Release</b>	<b>July 2014</b>
Forecast Stock	23 lots
Forecast Title Date	December 2014
Method of Sale	Public Release

**Stage 6B (Second display village)**

<b>Date of Release</b>	<b>August 2014</b>
Forecast Stock	25 display home lots
Forecast Title Date	January 2015

Method of Sale            Public Tender – Details to be provided in separate recommendation.

**Stage 13 Builder Release**

**Date of Release            September 2014**

Forecast Stock            26 lots, consisting of 14 rear loaded and 12 front loaded medium density lots

Forecast Title Date        March 2015

Method of Sale            Medium Density Builder Allocation Tender

**Stage 13A Public Release**

**Date of Release            September 2014**

Forecast Stock            29 lots

Forecast Title Date        March 2015

Method of Sale            Public Release

**Stage 13B Public Release**

**Date of Release            October 2014**

Forecast Stock            28 lots

Forecast Title Date        March 2015

Method of Sale            Public Release

**Stage 14 Builder Release**

**Date of Release            December 2014**

Forecast Stock            24 lots

Forecast Title Date        June 2015

Method of Sale            Medium Density Builder Allocation Tender

**Stage 14 Public Release**

**Date of Release**            **December 2014**

Forecast Stock            36 lots

Forecast Title Date        June 2015

Method of Sale            Public Release

**Stage 15A Public Release**

**Date of Release**            **March 2015**

Forecast Stock            35 lots

Forecast Title Date        September 2015

Method of Sale            Public Release

**Stage 15B Public Release**

**Date of Release**            **April 2015**

Forecast Stock            34 lots

Forecast Title Date        September 2015

Method of Sale            Public Release

**Western Precinct Stage 1**

**Date of Release**            **June 2015**

Forecast Stock            30 lots

Forecast Title Date        November 2015

Method of Sale            Public Release

All road carriageway detail depicted on this Plan including pavements, road treatments, medians and parking are for illustrative purposes only and are subject to final engineering design and any relevant approvals. The detail reflects the intent of the road network standards preferred for this subdivision.

