

FEBRUARY 23, 2022

**ORDINARY MEETING OF THE COUNCIL MEETING
TO BE HELD
WEDNESDAY, FEBRUARY 23, 2022**

SUPPLEMENTARY AGENDA NO. 1

**JAY NANKIVELL
GENERAL MANAGER**

MAYORAL MINUTES

- 1. MAYORAL MINUTE NO. 2/22 - DATED FEBRUARY 22, 2022 - PROPOSED MOTION TO THE AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION AND LOCAL GOVERNMENT NSW REGARDING AFFORDABLE HOUSING SOLUTIONS FOR REGIONAL COMMUNITIES (D22/8959) 3

- 2. MAYORAL MINUTE NO. 3/22 - DATED FEBRUARY 23, 2022 - BROKEN HILL CBD REVITALISATION PROJECT - REVISED PROJECT SCOPE AND FUNDING SUBMISSION (D22/9268) 6

ORDINARY MEETING OF THE COUNCIL

February 22, 2022

ITEM 1MAYORAL MINUTE NO. 2/22

SUBJECT: PROPOSED MOTION TO THE AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION AND LOCAL GOVERNMENT NSW REGARDING AFFORDABLE HOUSING SOLUTIONS FOR REGIONAL COMMUNITIES D22/8959

PREVIOUS ITEMS: BHCC18/22 - FURTHER MOTION TO THE NSW LOCAL GOVERNMENT SPECIAL CONFERENCE TO BE HELD IN SYDNEY 28 FEBRUARY 2022 - 2 MARCH 2022 - Ordinary Council - 27 Jan 2022 6:30p.m.

CURRENT REFERENCES: 2022 NATIONAL GENERAL ASSEMBLY OF LOCAL GOVERNMENT - CALL FOR MOTIONS

Summary

This Mayoral Minute is presented to Council to consider a proposed motion to the Australian Local Government Association – National General Assembly to be held in Canberra 19-22 June 2022, and also a possible late motion to the Local Government NSW Special Conference to be held in Sydney 28 February – 2 March 2022, although motions closed on 30 January 2022.

The proposed motion aims to address the housing affordability crisis which is currently affecting many regional communities in Australia.

At the 27 October Ordinary Council Meeting, Council resolved to contribute \$20,000 to stage two (2) of the 'More than Mining' Campaign as a founding member of the Australian Mining Cities Alliance.

The More than Mining campaign was launched to unite regional councils to fight for affordable housing solutions for their communities which are being crippled by skyrocketing housing prices.

The goal of the campaign is to create “sustainable, stable and inclusive regional communities, home to skilled and diverse residential workforces who continue to fortify our Nation’s economic prosperity.” It seeks to ensure that residents who do not have a large income base are not forced out of rural, regional and remote communities because of unaffordable housing during economic boom periods when rents and housing prices increase and aims to retain a permanent resident base in these communities

The More than Mining campaign now has national representation from:

- Australian Mining Cities Alliance, as representative body for:
 - **Broken Hill City Council (NSW)**
 - Isaac Regional Council (QLD)
 - Mount Isa City Council (QLD)
 - City of Karratha (WA)
 - City of Kalgoorlie Boulder (WA)

- Regional Development Australia Pilbara
- Karratha & Districts Chamber of Commerce and Industry
- Additional funding support from partnering remote mining Local Government Areas:
 - West Cost Council (TAS)
 - Shire of East Pilbara (WA)
 - Town of Port Headland (WA)
 - Shire of Coolgardie (WA)
 - Shire of Leonora (WA)
 - Shire of Dundas (WA)
- In-principal support from:
 - Mareeba Shire (QLD)
 - Tablelands Regional Council (QLD)
 - Regional Development Australia Tropical North QLD

Broken Hill City Council was a founding Council of The Australian Mining Cities Alliance and over the past five years the Alliance has discussed many solutions to address the affordable housing issue but these have been reactive and failed to improve the situation for people living in regional communities sustainably for the long term.

The support gained from across the country validates the strength of the tax reform proposal. The Councils involved in the More than Mining Campaign want to put their weight behind solutions that will result in sustainable, stable, and inclusive regional communities, attractive to skilled and diverse residential workforces who will continue to fortify our Nation's economic prosperity.

The More Than Mining tax reform proposes that current remote area Fringe Benefit Tax concessions be equalized from 50% to 100% to enable all employees residing in regional and remote mining communities across Australia access to the same allowances as their employers.

This means that individuals could buy a house, or rent a house, completely with pre-tax dollars. With a lower tax payment, people can be more secure in a decision to buy a house with improved borrowing capacity. This helps to normalise house prices and smooth out the boom-bust impacts on property values, making it financially more attractive for residents to live in regional mining towns and cities, and ultimately slowing population churn and stabilising the demand for housing in regional Australia.

It is a proposal for a systemic change to build strength and cohesion into the future within the communities who contribute so much to the nation's economic prosperity.

I propose that the following motion be submitted to the Australian Local Government Association – National General Assembly and as a late motion to the Local Government NSW Special Conference to call on the Federal Government to create a regional tax incentive:

“That the National General Assembly/Local Government NSW calls on the Federal Government to create a regional tax incentive to equalise the current remote area Fringe Benefit Tax concessions from 50% to 100% to enable all employees residing in regional and remote communities across Australia access to the same allowances as their employers. The tax incentive will assist to drive regional relocation, to smooth out the volatility of housing prices with the aim to address the regional housing affordability crisis across Australia (especially in regional areas affected by the boom-bust cycle of mining industries).”

Recommendation

1. That Mayoral Minute No. 2/22 dated February 22, 2022, be received.
2. That the following motion be submitted to the Australian Local Government Association - National General Assembly (held in Canberra 19-22 June 2022) by the deadline for motions being 25 March 2022, along with the supporting Council resolution; and submitted for consideration as a possible late motion to Local Government NSW – Special Conference (held in Sydney 28 February – 2 March 2022) along with the supporting Council resolution. Please note that motions for the Special Conference closed on 30 January 2022, and that late motions may not be accepted.
 - a) The motion being:
“That the National General Assembly/Local Government NSW calls on the Federal Government to create a regional tax incentive to equalise the current remote area Fringe Benefit Tax concessions from 50% to 100% to enable all employees residing in regional and remote communities across Australia access to the same allowances as their employers. The tax incentive will assist to drive regional relocation, to smooth out the volatility of housing prices with the aim to address the regional housing affordability crisis across Australia (especially in regional areas affected by the boom-bust cycle of mining industries).”

Attachments

There are no attachments for this report.

T. KENNEDY
MAYOR

ORDINARY MEETING OF THE COUNCIL

February 23, 2022

ITEM 2MAYORAL MINUTE NO. 3/22

SUBJECT: BROKEN HILL CBD REVITALISATION PROJECT - REVISED PROJECT SCOPE AND FUNDING SUBMISSION D22/9268

PREVIOUS ITEMS: BHCC17/22 - BROKEN HILL CBD REVITALISATION AND ACTIVATION PROJECT - REVISED PROJECT SCOPE - Ordinary Council - 27 Jan 2022 6:30p.m.

Summary

At the 27 January 2022 Ordinary Council Meeting, Council resolved the following:

“That a workshop be held with Councillors to further investigate and understand Council’s desired vision and outcome in accordance with Council’s revised budget.

That Council write to the Federal and State funding bodies and relevant Ministers advising of a proposed change in project scope including the withdrawal or reduction in Council’s contribution to the project and seek advice as to whether funding can be redirected to a smaller project scope for a purpose-built archive facility incorporating a library facility as result of the Councillor workshop.”

Following the Council meeting, the General Manager and myself have met with Mr. Mark Coulton and his office on several occasions regarding the Building Better Regions Funding, Council’s contribution, and the best way forward regarding any scope variations.

Mr Coulton’s office has advised that any change in scope would require a variation to be submitted for assessment, however Council will have the best chance of retaining the funding if the scope stays within the original parameters and outcomes of the initial application, the total project budget remains the same to ensure the full \$8.7M (50% allocation) from the Federal Government can be maintained; and that a variation needs to be submitted as soon as possible for consideration to ensure Council has the best opportunity for approval and final sign off before the looming Federal Election.

Furthermore, a Councillor briefing was held with my fellow Councillors, the General Manager and staff on Tuesday 22 February 2022. The purpose of this briefing was for Councillors, particularly our new Councillors to have an understanding of the services the library offers, a site tour and to discuss a way forward in relation to the Federal & State Funding, the construction of a purpose-built archive/library and the CBD Revitalisation. The information presented and discussion was held around the following:

Funding**State Funding**

- Meetings have been held with the appropriate Ministers and Officers in regards to the Resources for Regions funding allocation.

- The allocation for funding is for Broken Hill, so the funding is largely not at risk and can be varied.

Funding an alternate of scope of works in relation to the construction of a purpose-built archive and library and further upgrades to the CBD is achievable but will require a variation of funding to be submitted.

Federal Funding

- The Federal funding is time critical due to the election. Ideally, a signature is required on the variation from the Department of Infrastructure by the end of February or the first week of March.
- The best opportunity to reduce the time required for the variation and to reduce the risk of losing the grant, will be to maintain the current project funding total of **(\$17.5M for stage 1)** and stay within the current scope of the funding application; being for the Library/Archive Construction and upgrades to the CBD in accordance with the CBD Masterplan.
- Council can reduce its \$6m contribution by including already allocated/spent funds on the CBD Revitalisation project. This is currently \$1.9m and made of City Wayfinding and the installation of new street lighting and banner poles. This will allow Council to reduce the co-contribution from the previous \$6m allocated towards the construction of a new library/archive to essentially zero and allow \$4m to be allocated towards the CBD Revitalisation project which had already been scheduled within Council's capital budget.

Proposed Way Forward

Following the conversation with Federal & State Government and information presented and discussed at the Councillor briefing on 22 February 2022, I propose the following way forward to achieve the objectives of reducing the scale of the new Library/Archive in line with Community expectations, continuation and prioritisation of the CBD Upgrade and give Council the best opportunity to retain the Federal Funding.

1. That Council submit a variation for the Building Better Regions Funding keeping in line with the original scope (Construction of Library/Archive and CBD Revitalisation Project) and achieve the following outcomes through a revised application:
 - a. Construction of a purpose-built archive/library
 - b. CBD Wayfinding and new signage
 - c. Installation of new street lighting and smart banner poles
 - d. Public Art installations, upgrade to pavements and streetscaping to improve shade and comfort.
2. This will allow Council to achieve the construction of a purpose-built archive and upgraded library facility, fast tracking the revitalisation of the CBD and installation of public art to recognise the contribution made by past and current Broken Hill people.
3. The funding from Federal and State Government (\$11.6m), will achieve the construction of a new purpose-built archive/library in accordance with community expectations and the additional funding being made of up \$1.9m already spent and \$4m from Council's infrastructure replacement reserve will contribute to the revitalisation of the CBD, which has already been allocated through Council's capital budget.

The proposed funding model is below:

Source of Funds	Amount rounded
Federal Funding	\$8.7M (Library/Archive)
State Funding	2.9M (Library/Archie)
Total Archive/Library	\$11.6M
Far West Joint Organisation	1.0M (Wayfinding – Committed)
BHCC (Committed)	0.9M (Banner Poles & Street Lighting)
BHCC (Additional proposed, already budgeted)	4.0M (Additional CBD Works TBC & Public Art)
Total CBD Upgrade	\$5.9M (\$1.9M already committed/spent)
Total	\$17.5M

At the October 2021 Ordinary Council meeting, Council resolved to carry forward \$5M of budget towards the CBD Masterplan with \$900,000 earmarked for the installation of new streetlighting and smart banner poles.

This left \$4.1M to be contributed towards further CBD works as prioritised and identified by the Community in accordance with the CBD Masterplan. My proposal is that this \$4.1M is still utilised for the CBD Revitalisation Project but is allocated as Council's co-contribution towards the funding. This essentially means that Council will not be contributing any further capital contribution and the \$6m quarantined from the pipeline remains unspent.

Next Steps

If my Mayoral Minute is passed the next steps will be as follows:

1. Council Officers to submit funding variations to Federal & State Government
2. Scope of works to be reviewed and prioritised based on Community input and vision
3. Council report for endorsement and to outline the community consultation process. Inclusive of CBD revitalisation priorities in line with the CBD Masterplan
4. Undertake reviewed design process
5. Final round of community consultation
6. Report to Council for adoption
7. Detailed design, tender and construction.

Recommendation

1. That Mayoral Minute No. 3/22 dated February 23, 2022, be received.
2. That Council submit a variation in funding to Federal & State Government for the funding achieved for the Library/Archive & Revitalisation Project as outline in the Mayoral Minute.

3. That Council note Council's contribution is to be made up of \$6m, that has already been allocated/spent in Council's Capital Budget this financial year in relation to the CBD Revitalisation Project.
4. That Council's overall capital expenditure in relation to the Library/Archive and CBD Revitalisation Project has reduced by \$6m in accordance with the Mayoral Minute of 12 January 2022.

Attachments

There are no attachments for this report.

T. KENNEDY
MAYOR