

CELTIC CLUB REDEVELOPMENT

MEMBERS INFORMATION MEMORANDUM

JUNE 2010

This document provides an update from the Celtic Club Committee in relation to the progress of its investigations into the potential redevelopment of the Club's premises located at 316-320 Queen Street, Melbourne (the Site).

The latest concept drawings prepared by Peddle Thorp Architects describing the redevelopment with the new Club and facilities, together with a multi-storey residential development are attached to this Information Memorandum and we welcome your feedback.

Background

The Committee provided a written and verbal briefing for all members at an Information Evening in October 2009.

At the briefing Consultants from Peddle Thorp Architects and MacroPlan Australia presented the findings of a detailed feasibility study addressing the redevelopment of the Celtic Club. A summary of MacroPlan's earlier Feasibility Study can be viewed on the Club's web site.

As part of this briefing, all members had an opportunity to ask questions and provide written submissions in relation to the redevelopment of the Club. All feedback received to date has been tabled by the Committee and this information has been reviewed by consultants engaged by the Committee as part of this process.

A New Celtic Club Building & Facilities – Concept Development Process

Following on from the briefing in October, and as was agreed to further explore the results of the Feasibility Study, the Committee has undertaken further extensive work with Peddle Thorp Architects, MacroPlan Australia and heritage consultant Lovell Chen to prepare detailed plans for the redevelopment of the site.

These plans now include the following based on feedback from members:

- A new multi-storey **Celtic Club Building** on the existing site with ground floor access for members at Queen Street and Latrobe Street;
- **New Club facilities** including a bar, café, kitchen and dining room / outdoor terrace area for members and guests and dedicated entertainment spaces for live music, cultural events and gaming;
- Expanded spaces for cultural exhibitions and events and a dedicated **Cultural and Heritage Centre** with a reception area and a library;
- An **Administration Centre** owned by the Club with the option to sub-lease floor spaces to appropriate tenant groups with associated revenue for the Club;
- Subject to final design plans and/or negotiations with developers, access to potential **Recreational Facilities** including a heated pool, spa and gym facilities for members and guests; and
- A new, state of the art multi-storey (i.e. 35-40 storey) **Residential Tower** with dedicated access via Queen Street.

Importantly, the Celtic Club will retain **full ownership** of its new building and associated Club facilities. Gaming machines will continue to operate within the newly developed premises and some on-site parking may be available for Club members and guests.

Discussions with Planning Authorities

The Committee has had extensive discussions with the Department of Planning and Community Development (DPCD) and Melbourne City Council (MCC) regarding the planning and design process and is happy to advise that the proposed plans for the redeveloped Site have received 'In-Principle' support from DPCD and MCC.

While plans have not yet been formally lodged with Council, the Committee has been encouraged by the feedback received from the State Government's Planning Department, which includes the following:

- The proposed redevelopment of the Site is supported in principle' with the continuing role of the Site as a cultural and heritage destination being an important feature of the redevelopment;
- The proposed height and scale of the redevelopment is 'appropriate for the Site' and not inconsistent with neighbouring CBD developments of this nature;
- The building façade, while of a relatively low Heritage Grading, is regarded as being relatively 'significant' from an urban form perspective and the Club is committed to working with the relevant Planning Authorities to ensure an appropriate heritage outcome for the Site;
- While on-site car parking would be a desirable feature of the development, the Site is relatively small and Council 'does not require on-site parking' as part of the development process.

The Committee is in the final stages of preparing documentation that will form the basis of a Development Application to be lodged with Council in the second half of this year.

Planning Pathway & Next Steps

Based on the feedback and discussions to date, the Committee wishes to continue working closely with members to develop the right pathway going forward.

The Committee has been advised by its consultants that an appropriate pathway will involve the following steps:

- Lodgement of a Development Application (DA) with Melbourne City Council to take place in the second half of this year for approval by MCC as part of a normal planning approval process; and
- An Expression of Interest (EOI) process involving the Committee inviting written letters of interest from investors and developers. This will provide the Club with direct feedback regarding the market's appetite for redeveloping the Site through a partnership arrangement with the Club.

The DA process is likely to take at least six months to reach an agreed outcome and will involve ongoing discussions with Council and the State Government to achieve the appropriate development approval.

An EOI process involving an initial 'express interest' via informal written letters from investors/developers is expected to take 6-8 weeks. This is a relatively cost effective and widely accepted approach for seeking informal feedback from the market place. This approach **does not** involve any detailed discussions or negotiations with parties.

The Committee reinforces that members will be fully briefed as part of this process and the suggested EOI process **will not** involve entering any binding agreement and **will not** involve a sale of any part of the Club or its facilities.

All information received by the Club as part of this process would be assessed by the Committee. A full report would be presented by the Committee to members highlighting the extent of interest and whether there is a case to proceed to a more formal Market Call process.

The next stage, a Market Call process, involving more formal discussions and potential negotiations with a short-list of development partners **will not be undertaken** without the prior approval of Celtic Club members. This is in accordance with the Club's existing Constitutional voting arrangements.

Further information in relation to the Celtic Club Constitution and members' rights can be obtained from the Club Secretary.

Information Evenings for Members

The Committee invites all members to participate in the following Information Evenings to take place at the Celtic Club:

Session	Topic	Date	Time
1	“Your Club” – “Your Future” Details of the proposed redevelopment of the Site including Club Facilities and residential development options	22 July 2010	6.30pm-8.00pm
2	“Your Club” – “Your Future” Details of the extent of market interest in developing the site (outcomes of the EOI process) and details of the Club's Legal position going forward	TBC	TBC

These sessions will be different and addressing separate topics. You are invited to attend one or both sessions as appropriate.

Refreshments will be available on each evening.

How to provide feedback to the Committee

Members are invited to provide feedback and ask questions either by writing or emailing the Club Secretary:

Peter Gavin
Secretary Celtic Club
316-320 Queen Street,
Melbourne 3000
or
pmgavin27@hotmail.com

Information received from members is held in confidence by the Committee and will remain confidential unless you advise otherwise.

The Committee encourages all members to take advantage of information sessions offered as part of this process.

Sincerely

Seamus Moloughney – President
Veronica O'Sullivan – Vice-President
Peter Gavin – Secretary
Sean Lavin – Treasurer
Sean Bradley
Francie Collins
David Coyne
Teresa Fitzsimons
Cushla McNamara