

Port Hedland (West End) Voluntary Buy-back Scheme

FIRST PUBLIC CONSULTATION MEETING – PORT HEDLAND, OCTOBER 24 2019

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Good meetings so far!!

Objectives of the Scheme

To provide residents of the West End (owner occupiers and investors in residential properties west of Taplin St) with options to move to comparable properties or exit their property

- - for “fair” value, including transaction costs
- - with good information on all options, including the option to remain

To enable the Port to continue to grow export volumes, without triggering the need for uneconomic investments in alternative locations

- while meeting all current regulatory requirements, including for dust mitigation

To contribute to the further development of Port Hedland as an attractive and sustainable location for an increasing number of people who choose to live here

Why is this happening?

Government decision to create an improvement plan regulating future land uses in the West End (including to McGregor St) which will explicitly exclude

- - long term residential use west of Taplin St (other than short stay – to be defined, but maybe up to say 3 months)
- - sensitive uses west of Taplin St such child-care, pre-school, school, medical rooms and aged accommodation

The Government, and the Port and its users, will meet their obligations for community health

- - providing recommended levels of dust east of Taplin Street meet the 70ppm guideline, with some exceedances due to natural causes
- - overall dust levels are maintained at or below current levels, including in the West End, even at higher export volumes
- - fine dust levels continue to remain at or below the guideline
- - other contaminants remain under current guidelines

Individuals respond to dust and other airborne contaminants in different ways, and at different levels

- - so long as the above requirements are met, individuals, including those who choose to continue to reside in the West End retain responsibility for monitoring their own health outcomes (if any) with their own doctors

How does a buy-back work?

Landowners are offered a price for their property which is based on

- - a base value, which takes into account current market values, with reference to comparable property values, verified by independent valuers chosen by owners from an agreed panel, at the scheme's expense
- - plus a premium to recognize changes in underlying value due to changes in circumstances (in this case the proposed new land use and planning regulations), as well as transaction costs and general inconvenience

The offer is open for an extended period (more than a year) to allow owners to make fully informed and considered decisions

In a voluntary scheme (like this one) premiums over market values are often higher to encourage owners to take the offer

- - in other WA precedents this premium has been as high as 30%, vs 10% in compulsory schemes

What is my brief?

To consult with land-owners, port users, other affected parties (and relevant experts) on the most effective design for this particular buy-back scheme including (but not limited to)

- the overall level of the scheme
- the valuation methodology that should apply in these circumstances
- the process by which offers will be generated
- the duration of the scheme

To consult with the Port Authority and its users on the level of funding required for the scheme and the means by which those funds will be raised

To consult with Government agencies, and other stakeholders on the administrative arrangements for the scheme

How does this fit in?

Spoilbank Marina – led by LandCorp

Improvement Plan – led by Department of Planning, Lands and Heritage

Town of Port Hedland Local Planning Strategy and Scheme – led by the Administrator

The Voluntary Buy-Back Scheme – led by the Pilbara Development Commission

What's Next (PHVBS)?

Tomorrow – PDC Office (Wedge St) 10 am – 3 pm

28 October – Perth meeting

18 November – Second Port Hedland Meeting

9 December – Third Port Hedland Meeting

Always – www.pdc.wa.gov.au